





No. 9353.1<sup>o</sup>30



v. 36  
Jan-June  
1957





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# Bulletin

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April 1, 1957

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THE DEPARTMENT OF STATE

# Bulletin

VOL. XXXVI, No. 927 • PUBLICATION 6471

April 1, 1957

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*The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.*

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For sale by the Superintendent of Documents  
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PRICE:

52 issues, domestic \$7.50, foreign \$10.25  
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 19, 1955).

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# The United States Looks at the Middle East

*by Deputy Under Secretary Murphy*<sup>1</sup>

I am indeed grateful for this opportunity to appear here at Georgetown University and before this forum for a discussion of some of the problems of the Middle East. The issues which have arisen during the last 6 months within that area have engaged the loyalties and sympathies of the American people. There has been a high degree of involvement of local American interest in the solutions of the problems posed by the Middle East. We of the State Department appreciate a chance to talk over this situation with an informal audience such as this and to express our views as to the best course to follow in the national interest of the United States.

I am also delighted with the formulation of the topic for this evening's presentation. It seems most appropriate to exchange views on the Middle East at this time in hope that we may achieve a better understanding of the delicate problems involved. Georgetown's inquiries into our foreign relations are justly famous, and I hope I may be of even some small assistance to you in your study of the area.

The United States has vital security interests in the Middle East. These interests are magnified by our role as leader of the free world.

In the first place, it would be a major setback in this great struggle if the two-hundred-odd million Moslems of the area should be persuaded that they could achieve their destiny as nations under the sway of international communism. The Soviet Union has become very active in this region. Its expansionist purposes are unmistakable.

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<sup>1</sup> Address made at the International Relations Enquiry at Georgetown University, Washington, D.C., on Mar. 14 (press release 145).

Secondly, the Middle Eastern area specifically contains perhaps 75 percent or more of the world's oil resources under its sands. The continuing uninterrupted flow of this oil is necessary to the economic and military strength of our European allies, which in turn is necessary to our own security. Although we can, as is presently being demonstrated, temporarily supply our European allies with their fuel needs, the drain upon the reserves of the Western Hemisphere over a protracted period would greatly weaken the free world.

Finally, the Middle East area itself is of great strategic geographic importance. It controls both the land and sea routes linking Asia, with its raw-material resources, with Western Europe, which is the major supplier to Asia of manufactured goods essential to its development. It controls the gateway to Africa, with its vast human and mineral resources, which is just beginning to play its role upon the world stage.

Hence, the United States must act with a high degree of responsibility and friendly impartiality in the clashes of national interests which are keeping the Middle East in a state of turmoil. We consider the people in the area our friends, and we want them to remain our friends.

The major internal problem, which overshadows every other issue in the area, is the Arab-Israeli dispute. The creation of the State of Israel has a significant and illuminating background. In fact, I should like this evening to dwell on the origin and causes of some of the situations we face in the area, in the hope that our present objectives and courses of action will be more readily understood.



A good starting point is the emergence of nationalism in the Middle East some time during the latter half of the 19th century. The Ottoman Empire had by then grown accustomed to its role as a "sick man." But the forces of nationalism were already at work among its peoples. A Viennese journalist, Theodore Herzl, motivated by the clamor and implications of the Dreyfus affair in France, decided that the Jewish people could not achieve a secure status until they had become identified with a national entity. He succeeded in restating the age-old religious longing of the Jews to return to the Holy Land in modern nationalistic terms.

These same forces were at work among the Arab peoples of the Ottoman Empire. The brief emergence of Egypt under Muhammad Ali in the early years of the century as a power which could challenge the world order had given new hope to those who dreamed of the days when an Arab caliph had ruled a united Islam. We Americans had more than a little to do with the emergence of an Arab nationalism which thought and spoke in the popular terms of the day. It was in our educational and missionary institutions in the area that the Arabic language had a rebirth and where our political philosophy received eager acceptance.

In the course of World War I, the Allied Powers sought the support of both of these nationalisms. The appeal to Jewish nationalism took the form of the Balfour Declaration of November 2, 1917. The appeal to the Arabs took the form of assurances and encouragement to the Sharif of Mecca, Protector of the Holy Places of Islam, who revolted against his Turkish overlords in the hope of assuming a new caliphate. The romantic figure of Lawrence of Arabia stalks through these pages of history.

At the close of the war, the British found themselves in possession of a mandated area handed them by the League of Nations. This area appeared to be almost as barren in resources as it was rich in religious and historical tradition and controversy. It was soon divided into two separate entities: Palestine and Transjordan.

Transjordan was brought into being as a fief for the late King Abdullah. Abdullah was one of the sons of the Sharif of Mecca. His brother, Feisal, who had been proclaimed as King of Syria, was beleaguered by the French in Damascus, who

were attempting to assert the authority given them by the League for their mandate in Syria and Lebanon. Abdullah's presence in Syria would have been an embarrassment to the British; so it was decided that he should be asked to tarry on his journey and remain in Transjordan, where a state of his own would be established. Winston Churchill has told how he created Transjordan one Sunday afternoon while he was in Jerusalem. All this came to pass, and during King Abdullah's lifetime the State of Transjordan was a model of the close collaboration between the Arabs and Great Britain. The Arab Legion was created and maintained by the British and proved its worth when it assisted Allied forces in putting down a revolt in Iraq in 1941.

In Palestine, that portion of the mandate to the west of the Jordan River, there was rapid economic and social development as Jews from all over the world came to take on the task of draining the marshes and making the desert bloom. It soon became apparent, however, that reconciliation of Jewish and Arab nationalism in this state would not be an easy task. There was bloodshed between Arabs and Jews almost from the very beginning of the mandate. Indeed, the longest period of real tranquillity in Palestine was the duration of World War II, when the magnitude of events on the world scene made pointless the local conflict.

### **Partition of Palestine**

At the close of World War II, violence again erupted in Palestine. Britain made a final supreme effort to reach an amicable settlement between Arabs and Jews. When this failed, Britain decided to turn the problem over to the United Nations. After dispatching a commission to the field to study the problem and make recommendations, the United Nations General Assembly voted in November 1947 to recommend both the partition of Palestine into an Arab and a Jewish state, to be politically independent but in economic union, and the territorial internationalization of Jerusalem. Jewish leaders decided to accept this recommendation, although it fell considerably short of their expectations, and proclaimed their state in May 1948. Arab leaders both within and outside Palestine decided to contest it by force.

The United States had strongly supported the partition resolution in the General Assembly and

was deeply concerned that a peaceful solution should be reached in the Palestine problem. Fighting broke out in 1948 and continued through several broken United Nations truces until General Armistice Agreements were signed in accordance with a Security Council directive in 1949. These agreements were to have been but the first step in a process leading to a peace arrangement between the parties brought about under United Nations auspices. They have remained to this day as the only international agreements regulating relations between Israel and the neighboring Arab States. Ralph Bunche [Under-Secretary of the United Nations], who is back in the area today, had a great deal to do with the successful negotiation of these agreements.

The territorial situation emerging from the Armistice Agreements was quite different from that envisaged in the partition resolution. Israel, which had surprised the world with its military prowess, was in occupation of considerably more territory than that originally allotted to the Jewish state. Transjordan, whose Arab Legion was by far the most effective Arab fighting force, gained possession of the Judean hills stretching from Nablus to Hebron. This territory was formally incorporated into Transjordan, which had meanwhile in 1950 changed its name to the Hashemite Kingdom of Jordan. The proposal for an independent Arab state in economic union with the Jewish state fell by the wayside, as did that for an internationalized Jerusalem. Jerusalem has been divided and is under *de facto* occupation by the Israelis in the New City and by the Jordanians in the Old.

These events were bound to have tremendous repercussions in Jordan, which was no longer a quiet and well-ordered Arab entity oriented toward the British. Its population was trebled overnight, and one-third of its inhabitants were Arab refugees subsisting on a United Nations dole. The new Jordan faced its relationship with Britain with distrust arising out of the Palestine conflict. Like other nations in the region, Jordan desired to assert full sovereignty and independence and to cast off longstanding ties with larger powers in the West. The assassination of King Abdullah, a staunch ally of Britain, in 1951, the dismissal of Lieutenant General Glubb and other Arab leaders from the Arab Legion in 1955, the anger at Britain for having undertaken military operations against Egypt,

all hastened the desire to minimize British influence. The Anglo-Jordan Treaty of 1948, under which the British guaranteed Jordan's territorial integrity and subsidized Jordan's defense establishment, was terminated yesterday. Jordan, which recognizes its lack of economic viability and acknowledges its need for foreign aid, has sought such assistance from the Arab states of Egypt, Syria, and Saudi Arabia. Jordanians have also expressed the hope that United States aid can be increased. It is difficult to see a secure and prosperous future for Jordan in the absence of an Arab-Israel settlement.

Since 1948 Israel has seen a trebling of population and considerable economic development. Economic progress has been impaired by the lack of political stability in the area, however, and Israel daily encounters the obstacles to progress created by continuing Arab hostility. Israelis have had to become used to border incidents, economic warfare, and lack of any kind of relations with their immediate neighbors.

It might be worth while to add a footnote to this historical excursus about how and why the Gaza Strip came into being. The territory of the town of Gaza and the land to the north and south of it were allotted, under the 1947 partition resolution, to the Arab state. When Egypt undertook military operations in Palestine in 1948, it entered Palestinian territory at the old international frontier to the south of Gaza. The end of the hostilities and the signing of the armistice saw Egypt remaining in occupation of the 5-by-25-mile strip of territory along the Mediterranean with Gaza roughly at its center. Egypt continued to occupy this territory by virtue of the Armistice Agreement. Egypt never claimed sovereignty over the Strip but said that it was held in military occupation subject to an ultimate peace settlement which would secure the rights of the Palestine Arabs. In addition to the indigenous population of about 60,000, there are 200,000 Arab refugees who fled from what is now Israel. So even before the creation of the United Nations Emergency Force, the United Nations had considerable responsibility for the care and subsistence of at least two-thirds of the population of Gaza.

#### **The New Regime in Egypt**

Egypt is the spearhead of Arab hostility to Israel. Egypt, too, has undergone important



changes in the recent past. New revolutionary leaders forced the abdication of King Farouk in 1952 and proclaimed a republic in 1953. The new regime set itself with enthusiasm to the task of improving basic economic conditions. Large estates were broken up. Attention was given to irrigation projects to reclaim desert lands. The passage of legislation to encourage foreign investment suggested realistic appraisal of the country's need of outside help. There were even faint glimmers of hope for a realistic and rational approach to the intensely emotional problem of Palestine.

To this seemingly devoted leadership the United States offered encouragement and support. We sought to promote understanding and conciliation between Egypt and Britain in the longstanding dispute over the British-held base in Suez. Without taking sides or pressuring either party, we worked to keep open the avenue of conciliation, and just before the second anniversary of the regime in Egypt agreement in principle was announced on this thorny problem. We offered technical assistance to stimulate the pace of development and economic aid, in keeping with the country's capacity to absorb it, to accelerate the rate of economic growth. In the last 5 years we have provided Egypt with nearly \$90 million of assistance in various forms.

Recognizing the country's need to strengthen its internal security and keep its defenses in readiness, the United States indicated willingness to make reasonable quantities of defensive arms available to the new government. The Egyptian leaders studied a grant-aid agreement which we were prepared to enter into and decided against it. They asked to buy arms. They found difficulty in paying for them, and we agreed to consider alternative financing arrangements. We were underbid in terms of financing. Egypt bought Soviet arms in exchange for Egyptian cotton—cotton, a commodity bulging from our own warehouses, a commodity we could not consider importing in quantity.

Although deeply concerned at this evidence of new Soviet mischief in the area, we sought to continue fruitful cooperation with Egypt in other spheres. Egypt's wish to store within its own borders its share of the untapped waters of the Nile received our sympathetic consideration. We were not unmindful of some expert opinion that

storage in the humid upper reaches of the Nile—outside Egypt's boundaries—might involve less loss by evaporation. We were not unmindful of the rights of other riparian states, and our offer of help for the Aswan Dam presupposed agreement on division of waters. But, basically, it looked as though the Egyptian leadership was fully determined to commit its resources to the High Dam. Their determination seemed to be a driving economic force in itself. We offered to help. In reply Egypt asked that our help be given on a basis which caused us misgivings. We reluctantly reached the conclusion that other commitments had undermined the possibility of a sustained economic effort on Egypt's part, without which our assistance would be unavailing.

We continued willing to assist on less ambitious projects. We announced our decision regarding the Aswan Dam on July 19 last year. On July 26 Nasser nationalized the Suez Canal Company.

The stubborn, unpleasant realities—the economic facts of life—have not been conducive to the kind of relationship we had hoped to develop. We felt these economic problems could not be gainsaid. Our views were received with suspicion and misunderstanding by colonial-sensitive Arab opinion as being animated by selfish interest.

Our hopes for cooperation were dimmed by a historical legacy which for the most part involved nations other than the United States. This is ironic but basic to our situation in Egypt, in Syria, and to a lesser degree in other parts of the region. Happily this is not the case in Lebanon, a sophisticated and advanced nation with which we maintain friendly relations, nor is it true in Saudi Arabia, Iraq, and some other countries.

### **The Arabian Peninsula**

As we move away from the countries at the core of the Arab-Israel dispute, the focus of our interest and concern in the Middle East shifts. The recent visit of King Saud was symbolic of the spotlight being thrown increasingly on one of the least known parts of the Arab world, the Arabian peninsula. This peninsula, approximately one-third the area of the United States, contains a variety of peoples, lands, resources, and historical backgrounds. It is the cradle of the modern Arab people. It has in the past been the home of fabled rulers, like the Queen of Sheba, and the spices and

incenses of Biblical times probably came from its highlands.

Since the consolidation of the Saudi Kingdom in 1925, Saudi Arabia has been the largest and in many ways the most important of the states of the peninsula. The United States has had relations of special importance with this Kingdom since the 1930's and is currently negotiating an agreement which will provide for further cooperation. King Saud is an important Arab leader and as Keeper of the Holy Shrines at Mecca and Medina is a figure of growing significance in the Arab world. Firmly committed against communism, he follows his father's traditional policy of close friendship with the United States.

The other major independent kingdom in the peninsula is the highland state of Yemen in the southwestern corner of the peninsula. It is the source from which the ancestors of the modern Arabs migrated, and its ruins give evidence that great kingdoms once existed in its mountains. Today this ancient land is seeking to develop its resources and to modernize its cities. A concession was granted in 1955 to an American company to explore for minerals. The Imam has also been tempted by liberal offers of aid from the Soviet bloc, and Soviet and satellite experts have recently begun to arrive. The Soviet assistance has included at least one shipment of satellite arms sought by the Imam to strengthen Yemen in its dispute with the British over the Aden Protectorate.

The Aden Protectorate was formed through a series of treaties by which the British maintain political control over some 40 minor principalities in the hinterlands to the north and the east of the Crown Colony of Aden. An unsettled border between these principalities and Yemen, tribal difficulties in the area, and Yemeni claims to much of the Protectorate have resulted in spasmodic outbursts of violence along the border. Recently, these have increased in severity, although there is hope that talks may take place between the two parties which will lessen the current tension.

To the east of Aden lies the Hadhramaut, a highland area which was the ancient source of frankincense and myrrh. This also forms a part of the Aden Protectorate, but its ties, strangely enough, are primarily with India, where many of its people have gone as merchants.

In the southeastern corner of the peninsula lies Muscat and Oman, a little known independent principality with which the United States has had very long relations. One of the first treaties signed by the United States in Asia was with the Sultan of Muscat in 1832. The United States had a consulate in Muscat for over 60 years and, in view of the importance of the area, is now considering the reestablishment of a post there.

To the north lies a series of small principalities under British protectorate known as the Trucial States, named from the truce arrangements made with these states in the 19th century in order to halt attacks by pirates on British ships in the Persian Gulf. One of the Trucial States, Abu Dhabi, together with the Sultan of Muscat, is involved in a dispute with Saudi Arabia over the sovereignty of a key transportation and trade center in southeastern Arabia, the Buraimi oasis. The United States has exercised informal good offices seeking a solution to this problem and is hopeful that, when diplomatic relations are again established between Saudi Arabia and the United Kingdom, which represents these two states, further talks can be held.

On the western shores in the Persian Gulf are three states which are better known to the world because of their oil resources. The largest and richest is Kuwait at the north end of the Gulf, where oil production exceeds that of any other state in the Middle East. The Shaikh of Kuwait was recently described as the biggest oil man of them all. Kuwait, like the other two states, Bahrain and Qatar, is bound by treaty relationship to the United Kingdom, which provides for their foreign affairs and defense.

This vast peninsula has been thrust into prominence not only by fabulous resources but by the important role its leaders are beginning to play in the events of the area. We can anticipate that in the days to come the strange names of places and people will become increasingly known and important to us in the developing United States relationships to the peoples of the Middle East.

Iraq lies at the northeast corner of the Arabian peninsula and links it with Iran and South Asia. Iraq has been the one Arab nation which has participated in Western-sponsored collective security arrangements. It has been genuinely concerned with the Communist threat and seeks United States assistance to strengthen its defenses.



Prime Minister Nuri Al-Said has since 1932 been the iron man of Iraqi politics and has led the country in significant economic and social development. Recent events have tested the stability of the Iraqi Government, but its anti-Communist stand and friendship with the United States have not been impaired. We have provided Iraq with substantial assistance, mostly military, to assist it in preserving its security and stability.

### **The Northern Tier**

The Arabian peninsula and the Palestine area are insulated against the direct thrust of Communist imperialism by two very important nations—Turkey and Iran. These two, together with Iraq and Pakistan, have consistently demonstrated their confidence in the principle of collective security and form a bulwark against Soviet penetration.

Shortly after World War II, the Soviet Union sought to gain a military foothold in northern Iran and to establish a puppet government there. The Soviet Union was forced to withdraw by Iran's strong protests and by pressures exerted by the United Nations, with the United States playing a leading role. Parallel with these pressures on Iran the Soviet Union resumed its traditional attempts to force Turkey into yielding control over the Dardanelles and the Bosphorus. Aggressive Soviet actions in Turkey and Greece were successfully met and overcome by the military and economic support furnished under United States policies adopted in 1947.

Turkey and Pakistan were among the first states in the Middle East to work actively for the realization of collective defense in the Middle East. In April 1954 they signed an agreement of cooperation and consultation, followed in February 1955 by the conclusion of an agreement with similar objectives between Turkey and Iraq. The latter agreement, to which Pakistan, Great Britain, and Iran eventually adhered, is familiarly known as the Baghdad Pact, and it represents the most effective step thus far taken by the nations of the Middle East to fill the deficit of power in that troubled area.

Not only have Turkey and Pakistan taken the initiative in the Middle East. Each is contributing to the collective defense of a wider area, Turkey as a member of the North Atlantic Treaty Organization, Pakistan as an original signatory of the Southeast Asia Treaty Organization.

In short, these countries have shown in a variety of ways that they share with us certain basic assumptions about the need for collective measures of defense to deter aggression by international communism. This fact, as much as any other, has helped shape the close relations that exist between the United States and these nations of the "northern tier." The United States has extended military and economic aid to Turkey, Iran, and Pakistan for some years, the total amount being well over \$2 billion. United States aid has helped them achieve significant economic gains while at the same time strengthening the effectiveness of their military defenses. These countries are important allies to the United States. Their independence and stability are of major interest to us.

### **Independent Libya**

On the western flank of the Middle East is Libya, a relatively new country strategically placed in North Africa. The United States has supported and assisted Libya on political, economic, and military fronts from the first day of its independence in 1951. In 1949 we joined a large majority of the members of the U.N. General Assembly in approving a resolution calling for Libya's independence prior to January 1, 1952. Under authority of this resolution, Libya declared itself free and independent on December 24, 1951.

Of the total Libyan revenues of \$30 million in fiscal year 1956, \$12 million, or 40 percent, will be U.S. aid. Our surplus agricultural products, valued at approximately \$10 million since January 1954, have played an important role in alleviating hunger and preventing famine conditions in Libya. United States technical assistance to Libya since fiscal year 1954 has totaled almost \$7 million. In addition, the United States has contributed over 50 percent of all funds expended by the United Nations for technical assistance in the country.

Under terms of the Mutual Security Act, the United States has programed military assistance for Libya and will equip a 1,000-man increment of the Libyan Army.

Libyan foreign policy has shown a marked friendliness to the United States and a growing understanding and appreciation of the threat of international communism. By agreement with Libya, the United States operates a major air base at Wheelus Field, near Tripoli. In 1956



Libya turned down Soviet offers of economic and military assistance but permitted establishment of diplomatic relations. Libya also evicted the Egyptian Embassy's military attaché last fall for activities considered inimical to Libyan sovereignty.

We are proud of the progress being made by Libya and happy that we are able to assist. The orderly development of the new states of Africa to political stability and economic well-being is a source of gratification.

### **Major Elements of U.S. Policy**

The main purpose of this examination of the individual countries and specific problems of the Middle East has been to define the situations we are working with and to point up the major elements of our policies. To understand the really critical problems being headlined today, it is essential to have a good grasp of the background and the ramifications of the issues affecting the whole area.

Where do we stand on these really critical problems? I want to refer in particular to the Arab-Israeli dispute, the Suez Canal, and Soviet efforts to penetrate the region.

The Arab-Israeli issue has been a United Nations problem from its very beginning. We are hopeful that the United Nations will remain the forum because we believe that the nations involved are responsive to the ideals of peace with justice. Prior to the events of last October and November, the tempo of events had been building to fever pitch. We had recognized that President Nasser's nationalization of the Suez Canal Company and, more particularly, the manner in which this was announced had provoked the British and French and alarmed the Israelis. But at the same time we were convinced that the type of action they chose to take in the last days of October and the early days of November was in error. Furthermore, and more importantly, the painstaking beginnings which had been made through the United Nations toward the establishment of a system of world order were being jeopardized by this resort to force when the possibilities of negotiations had not been completely exhausted.

In the historic debates which took place in the United Nations around the clock through those crowded days of early November it became clear that there was a realization that a large portion of the responsibility for the situation which had

arisen rested upon the United Nations for its failure to come to grips with the basic problems which lay at the root of the conflict. The United States emphasized its intention to take advantage of this fluidity in the situation by introducing two resolutions on November 3<sup>2</sup> in the United Nations General Assembly which revealed our determination to come to grips with the basic issues.

Out of this debate came a very significant action. The United Nations was enabled to create a force in being, the United Nations Emergency Force, in record time. For years the possibility of establishing a United Nations police force to enforce decisions of the United Nations had been debated in a desultory fashion, but it too had become a casualty of the cold war until the crisis created in the Middle East made the members put aside their hesitation. The UNEF under its present authority has a limited mission—to oversee the withdrawal of British, French, and Israeli forces from Egypt—and it is in Egypt with the agreement of the Egyptian Government. This phase of its mission has now largely been completed, but there is earnest consideration being given, under a resolution of February 2,<sup>3</sup> to authorizing the force in being to act as a deterrent to the resumption of hostilities and as a means of tranquilizing the area while new approaches are sought toward an eventual settlement. The principle which was at stake was the authority of the United Nations and its ability to take a constructive and fair approach in creating and maintaining conditions under which the conflict of national interests between the parties concerned could be worked out.

To enable this situation to move forward along the lines which all the members of the United Nations except the Soviet bloc seemed to desire, it was a prerequisite that the Israelis withdraw from Egypt without having achieved political advantages which Israel did not possess before it invaded Egypt. On the other hand, Israel had some very legitimate and genuine concerns for its own security, particularly regarding free passage through the Straits of Tiran and the danger of renewed fedayeen raids from the Gaza Strip. These two aspects of the problem have now been fully brought to the attention of the world public, and a number of states, led by the United States, have made unilateral declarations of their own

<sup>2</sup> U.N. docs. A/3272 and 3273.

<sup>3</sup> BULLETIN of Feb. 25, 1957, p. 327.

policy in regard to these issues. These have, in turn, enabled Israel to withdraw in the confidence that the world community would now earnestly direct its attention to remedying the conditions which led to the outbreak of the conflict.

The Suez Canal problem, which became linked in its latter stages with the question of Israel withdrawal, is also essentially a problem for the United Nations. The only existing unanimously approved agreement by all the parties concerned is embodied in the Security Council resolution of October 13, 1956,<sup>4</sup> which sets forth the six principles under which the parties concerned agree to work out a final arrangement for the future operation of the canal. The prospects of the canal being opened in the near future under an interim operating arrangement without prejudicing the final settlement seem favorable. The difficulties of working out detailed implementation of the six principles should by no means be discounted. But in the light of the new determination of the United Nations and the persistent and tireless efforts of Secretary-General Hammarskjöld to find a solution which can be accepted by all the parties, the United States is convinced its best hope for achieving the objectives of the free world in this respect lie within the United Nations.

### **Irresponsible Behavior of Soviet Union**

The record of the events of the last 6 months in the Middle East reveals a high degree of irresponsible behavior by the Soviet Union. The repeated attempts to take advantage of this situation to achieve political profit with the Arabs or to exercise pressure upon Israel, Britain, and France after they had already agreed to withdraw from this ill-fated adventure, besides the obvious purpose of distracting attention from their brutal attack on Hungary, can lead one to conclude only that the Soviet Union's objectives in the area are to weaken it to the maximum extent possible and to keep it in a constant state of turmoil and chaos.

To deal with this problem, which relates to the area as a whole, we have devised the Middle East plan or American Doctrine for the Middle East as embodied in the message of President Eisenhower to the Congress of January 5, 1957.<sup>5</sup> The plan aims to do three things, each of them with the consent of the states involved. First, if the states of

the area wish it, we are prepared to strengthen their internal security and their legitimate national self-defense through the extension of military aid. Secondly, if the states of the area desire it, we are prepared to cooperate with them in economic projects designed to raise the standards of living and strengthen the stability of the countries, thereby diminishing the attractiveness of grandiose offers of economic aid from the Soviets designed to promote subversion. And thirdly, we are prepared to use the armed forces of the United States to prevent direct overt aggression by forces controlled by international communism.

This proposal has now received strong support from the Congress of the United States and the endorsement of a large majority of the representatives of the American people. Ambassador James Richards left 2 days ago<sup>6</sup> to travel throughout this area, to explain to the various governments just precisely in what ways the American Doctrine for the Middle East could assist them in strengthening their ability to remain free and independent, and to work out recommendations which would be conducive to that end.

In our judgment the major threat to the Middle East is represented by the forces of international communism, and we feel deeply that we must never lose sight of this danger. The United States has a vital stake in keeping the Middle East from falling under Soviet domination. Indeed we must not allow the situation there to deteriorate to a point where the nations of the area in desperation would turn to the Soviet Union for help. While internal quarrels may engage our emotions and loyalties, we must not permit these factors to influence our exercise of great and grave responsibility as a leader of the free-world nations or to color the sense of justice and friendly impartiality which is so deeply rooted in the traditions of the American people.

We are taking important and constructive measures in the Middle East. The problems ahead are, to say the least, formidable and will require the very best diplomacy of which we are capable. Nevertheless, progress has been made.

We of the Department of State thank Georgetown University and the International Relations Enquiry for this chance to talk with you. We shall watch with interest the following discussions in this series on the Middle East.

<sup>6</sup> *Ibid.*, Mar. 25, 1957, p. 481.

<sup>4</sup> *Ibid.*, Oct. 22, 1956, p. 616.

<sup>5</sup> *Ibid.*, Jan. 21, 1957, p. 83.



## United States Replies to Soviet Proposal for Declaration on Middle East

Press release 131 dated March 11

*Following is the text of a note delivered by U.S. Chargé d'Affaires Richard H. Davis to the Minister of Foreign Affairs, Andrei Gromyko, at Moscow, March 11, 1957, in reply to a Soviet note of February 11, 1957, concerning the Middle East. The British and French Governments also replied to the Soviet note on March 11.*

### U.S. NOTE OF MARCH 11

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Union of Soviet Socialist Republics and, on instructions of its Government, has the honor to transmit the following communication in reply to the Ministry's note of February 11, 1957 concerning the Middle East area.

It is noted that the Government of the U.S.S.R. proposes that the Governments of the United States, United Kingdom, France and the Union of Soviet Socialist Republics should, jointly or separately, proclaim basic principles governing their relations with countries of the Middle East.

In dealing with this proposal, the United States Government deems it essential to set forth the following considerations:

The United States adheres and will continue to adhere to the principles of the United Nations Charter in its dealings with countries in the Middle East as elsewhere. Along with the other principles of the Charter, it fully supports those singled out in the Ministry's note—peaceful settlement of disputes; non-interference in internal affairs; respect for sovereignty and independence. It is ready to cooperate with any country, great or small, sincerely dedicated to carrying them out. The United States Government feels obliged, however, to point out that the Soviet Union could demonstrate its own willingness to carry out the high principles it sets forth by itself respecting

those U.N. resolutions addressed to the U.S.S.R. calling for compliance by the U.S.S.R., such as those relating to its actions with respect to Hungary. Great Britain and France, the other recipients of the Soviet proposal, have just made such a demonstration as a contribution to world order in fully complying with United Nations resolutions regarding the withdrawal of their forces from Egypt.

The form which cooperation in the Middle East should take—with specific reference to the proposal of the Soviet Government—is a matter for decision in consultation with the Middle Eastern states. Because of its respect for the principle of non-interference in the affairs of other nations, the United States would not wish to be party to an attempt by the great powers, as suggested by the U.S.S.R., to arrogate to themselves decisions on matters of vital importance to the nations of the Middle East; or to prevent those who feel themselves threatened from association of their own free will with other nations in legitimate collective security arrangements, in accordance with the provisions of the United Nations Charter. When it comes, therefore, to such matters as military "bloes", the liquidation of foreign bases and the withdrawal of foreign troops, set forth in the principles proposed by the U.S.S.R., the United States Government must point out that the Middle Eastern states are fully capable of deciding what cooperative efforts are required to enable them to play their part in the defense of the area.

The principles in the Soviet note include a call for renunciation of arms shipments to the Middle East. With regard to this point, the United States Government wishes to make clear that it has consistently recognized a need on the part of the Middle Eastern states to maintain a certain level of armed forces to assure their internal security and legitimate self-defense and to play their part in the defense of the area as a whole. The United States has also consistently sought to avoid an



arms race between the Arab states and Israel. In carrying out its policy with regard to the export of arms to the Middle East, the United States Government has always kept in mind the need to encourage stability and foster progress toward lasting peace and security there. It therefore regrets that the Soviet Government, on the contrary, saw fit to effect massive shipments of arms into the area at a time when regional disputes there had become sharply exacerbated.

Finally, the Ministry's note talks of economic cooperation to be carried out, it states, without any conditions incompatible with the dignity and sovereignty of these countries. The Soviet Government ought to be aware that the United States provides, and will continue to provide, economic assistance only to those Middle Eastern states requesting it. No attempt is, or will be, made to force this assistance on any state, or through it to seek to impose conditions upon the countries concerned. There is no basis, therefore, for considering the acceptance of such assistance incompatible with national dignity and sovereignty.

The Soviet proposal, as a whole, is clearly based on a false premise. It stems, presumably, from the distorted interpretation of the nature and purpose of United States policies contained in the Ministry's note.

Contrary to this interpretation, President Eisenhower's outline of United States policy toward the Middle East envisages genuine practical efforts directed toward consolidating peace and security there in full cooperation with the Middle Eastern countries concerned. These efforts are designed to make a full contribution to economic progress in the area and to help the countries there maintain their independence.

Also, there is cause for considerable doubt as to the seriousness of the Soviet Government's invitation to the Government of the United States to join it in cooperation in the Middle East. It has been put forward at a time when certain Soviet official acts and statements suggest that the U.S.S.R. neither desires nor expects such cooperation. In fact, on the day following the delivery of its call for cooperation in the Middle East, the U.S.S.R. engaged once more in vilification of the United States by introducing into the United Nations a spurious item attacking this Government's policies in that area. This followed a similar baseless Soviet item distorting United States poli-

cies toward Eastern Europe.<sup>1</sup> Consequently, there is much reason to question whether the cooperation proffered by the U.S.S.R. is intended to further a mutually desired aim.

On its part, the United States will continue to work toward peace and greater stability in the Middle East through the United Nations and through measures taken at the request of, and in cooperation with, the states in the area themselves. It would like to be able to hope that the Soviet Union would make its own contribution to tranquillity there. The United States naturally desires to see friendly relations, based on mutual respect and confidence, develop not only among the Middle Eastern states but also between them and countries outside the area, including the U.S.S.R. However, as elsewhere, this largely depends on the U.S.S.R. itself. If the U.S.S.R. will indeed conduct itself in a manner conforming to the principles it proposes, it will be moving in this direction and not only make a contribution to peace in the Middle East but in other areas as well.

#### SOVIET NOTE OF FEBRUARY 11

The Ministry of Foreign Affairs of the Union of Soviet Socialist Republics expresses its respects to the Embassy of the United States of America and upon the instructions of the Soviet Government has the honor to communicate the following:

As a result of the efforts of the peace-loving peoples, supported by the United Nations, the aggressive actions against Egypt were liquidated, and favorable circumstances have developed and real possibilities have been created for insuring peace and also for settling international problems in the region of the Near and Middle East.

The liquidation of the hot-bed of war in this region created prerequisites for strengthening national independence, governmental sovereignty and economic development not only of Egypt but of all countries of the Near and Middle East, and also opened the way for broad cooperation of countries of this region with all countries on principles of equality among states, formulated in particular in the decisions of the Bandung Conference.

The peace-loving peoples justly expected that henceforth peace in the Near and Middle East would be preserved and strengthened, that an end would be placed to the policy of foreign intervention in the internal affairs of the countries of this region, that the sovereignty and

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<sup>1</sup> For a statement by Senator Knowland on the Soviet item on alleged U.S. intervention in Eastern Europe, see BULLETIN of Mar. 18, 1957, p. 463.

independence of the countries of the Near and Middle East would be sincerely respected and that the countries of this region, especially the victim of aggression—Egypt—would be given unselfish economic assistance.

However, the period of softening of the tense situation in this region, regrettably, turned out to be of short duration and the hopes of the peoples were not realized.

As a result of the unilateral moves on the part of some powers, the situation in the Near and Middle East in the recent past has again become seriously exacerbated. This exacerbation is evoked first of all by the fact that there are intentions to utilize in a unilateral manner in the Near and Middle East without the agreement of the United Nations, armed forces of one of the great powers at its own discretion for intervention in the internal affairs of this region. There is also in view the granting of so-called economic assistance to countries of the Near and Middle East, foisting on them conditions that these countries reject any kind of ties with specific states—members of the United Nations—that is, with the acceptance of political conditions for this “assistance” incompatible with the dignity and sovereignty of these countries and with the high principles of the United Nations.

It is impossible not to recognize that implementation of such a policy in circumvention of the United Nations would lead to a new dangerous exacerbation of the situation in this region, which only recently was an arena of military operations evoked by aggression against Egypt, and would threaten the cause of world peace.

The mentioned plans are nothing other than a continuation of the policy of creating closed aggressive military blocs of the type of NATO, SEATO, and the Baghdad Pact and erection of artificial economic and political barriers interfering with normal ties among states.

The principle of peaceful coexistence of states regardless of differences in their social and state systems is the basis of the foreign policy of the Soviet Union. It is known that in establishing its friendly relations with the Arab States the Soviet Union not only never sought deterioration of relations with these countries with other great powers, but on the contrary came out for the necessity of wide international cooperation, came out for the necessity of guaranteeing durable peace and creating an atmosphere of trust in the region of the Near and Middle East. The Soviet Union does not have and does not aspire to have military bases and any concessions in the Near and Middle East countries for the purpose of extracting profits and does not aspire to receive any privileges in this region, since all this is incompatible with the principles of Soviet foreign policy.

The Soviet Union is vitally interested that peace exists in the region of the Near and Middle East, situated in the immediate vicinity of its borders. It is sincerely interested in strengthening the independence of the countries of this region and in their economic prosperity.

In the opinion of the Soviet Government, preservation of peace in the Near and Middle East is a necessary condition not only for the development of Near and Middle East countries, but also, as recent events have demonstrated, for providing for the economic welfare of many other countries.

The necessity of consolidating peace and security in the Near and Middle East demands broad development of political, economic, and cultural ties between all countries, particularly of joint actions, in accordance with the Charter of the United Nations, of great powers who bear basic responsibility for the maintenance of peace.

The Soviet Government considers that it would be possible to secure firm and lasting peace in this region by means of joint efforts of the great powers—the U.S.S.R., U.S.A., England, and France, permanent members of the United Nations Security Council, if all the above-mentioned great powers built their relations with the Near and Middle East countries on the basis of general principles of a policy of non-intervention in their internal affairs and respect for their national independence and sovereignty.

Proceeding from the foregoing, the Soviet Government proposes to the Governments of the United States of America, England, and France, to draw up and proclaim basic principles concerning the question of peace and security in the Near and Middle East, and of non-intervention in the internal affairs of this region. These principles could be laid down as a basis of a joint declaration, acceptance of which would exclude the possibility of a dangerous unilateral action of this or that great power in respect to the Near and Middle East countries and would help to strengthen peace and security in this most important region, to develop national economies, and to consolidate the independence of these countries.

It goes without saying that the declaration would be open to adherence by any government interested in peace and security which desires to build relations with the Near and Middle East countries on the basis of the principles mentioned.

The proposals concerning the corresponding obligations of the participant powers of the declaration could be immediately brought to the attention of the governments and peoples of the Near and Middle East countries.

In transmitting herewith the basic theses of a draft declaration of the four powers—U.S.S.R., U.S.A., England, and France, proposed by the Government of the U.S.S.R., the Ministry of Foreign Affairs would be grateful to the Embassy of the United States of America for informing it regarding the acceptability to the Government of the United States of America of the basic principles presented in this draft of the declaration concerning the question of peace and security in the Near and Middle East and non-intervention in the internal affairs of the countries of this region.

The Soviet Government would also have no objections if the Governments of the United States of America, England, France, and the Soviet Union issued separate declarations, identical in content and based on the principles set forth in the enclosed draft, on their relations with the Near and Middle East countries.

(Attachment)

#### DRAFT DECLARATION

Draft of the basic principles of the declarations by the Governments of the U.S.S.R., the United States, Britain, and France regarding the question of peace and security



in the Near and Middle East and noninterference in the internal affairs of the countries of this region.

*Moscow, February 11, 1957.*

The basic principles of the declaration by the Governments of the U.S.S.R., the United States, Britain, and France on the questions of peace and security in the Near and Middle East and noninterference in the internal affairs of countries of this area:

The Governments of the U.S.S.R., the United States, the United Kingdom, and the French Republic, guided by lofty peace-loving aims and the principles of the United Nations expressed in its Charter, declare their agreement that at the basis of their policy in respect of the countries of the Near and Middle East lies the aspiration to establish peace and security in the Near and Middle East and in the whole world; acknowledge and respect the lofty principles of relations between states formulated at the Bandung Conference of Asian and African Countries; are striving to create favorable conditions for the strengthening of the national independence and national sovereignty of the countries of the Near and Middle East; express a sincere desire to contribute disinterestedly by common efforts to the economic development of the countries of this area, and are in this proceeding from the fact that the natural wealth of the underdeveloped countries is the inalienable national property of the peoples of these countries, which have the full right to dispose of and use it in the interests of the development of their national economy and progress.

The Governments of the U.S.S.R., the United States, Britain and France wish to contribute to the all-around development of economic, business, and cultural relations of the countries of the Near and Middle East on the basis of equality and mutual advantage for all countries. They are of the opinion that wide economic and trade relations of the countries of that area are in accordance not only with the interests of these countries but also with the interests of securing economic prosperity for other countries of the world. They recognize the need for a peaceful settlement of all international problems and questions relating to the Near and Middle East, by way of negotiations.

Being aware of the importance of the responsibility which they carry for the maintenance of peace and security throughout the world, the Governments of the U.S.S.R., the United States, Britain, and France pledge themselves to follow in their policy toward the Near and Middle East the principles stated below:

1—The preservation of peace in the Near and Middle East by settling outstanding questions exclusively by peaceful means and by the method of negotiations;

2—Noninterference in the internal affairs of Middle Eastern countries, and respect for their sovereignty and independence;

3—Renunciation of all attempts to involve these countries in military blocs with the participation of the Great Powers;

4—Liquidation of foreign bases and withdrawal of foreign troops from the territory of Middle Eastern countries;

5—Reciprocal refusal to deliver arms to Middle Eastern countries;

6—Promotion of the Middle Eastern nations' economic development without attaching any political, military, or other terms incompatible with the dignity and sovereignty of these countries.

The Governments of the U.S.S.R., the United States, Great Britain, and France express the hope that other states, in their relations with Middle Eastern countries, will adhere to the same principles.

## **Ambassador Richards Leaves for Middle East**

*Following is the text of a statement made by Ambassador James P. Richards, Special Assistant to the President, at Washington National Airport on March 12 on his departure for the Middle East.<sup>1</sup>*

Press release 132 dated March 11

President Eisenhower has asked me to visit the nations of the Middle East to present and discuss his proposals to promote peace, freedom, and economic well-being of the area. I feel honored by his request and undertake this mission with a sense of the very great responsibility it involves.

The President is seeking through this program to make an important contribution to the security and stability of the independent nations of the Middle East who wish our cooperation. I share his hope that full explanation and discussion of the program will demonstrate the close identity of interests between Middle Eastern countries and my own.

It is only natural that a new initiative such as the President's may not be completely understood in the first instance and may even be misinterpreted in some quarters. I shall try to remove such misunderstandings if any have arisen.

The determination of the United States to assist in the maintenance of the independence of free nations, including those of the Middle East, has been fully demonstrated. My colleagues and I begin this mission proudly conscious of recent American leadership giving practical effect to that determination.

The strong support of the Congress for the President's program once again gives assurance that the American people hold out a hand of

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<sup>1</sup> For background, see BULLETIN of Mar. 25, 1957, p. 480.



friendship to the historic lands and peoples of the Middle East. It is the American hope that all governments will work actively for freedom and stability in a peaceful world.

In keeping with the spirit of the President's proposals, discussions will be held only with governments who wish them, and we will not try to force our views upon others. The President and I do not look upon this mission as the inauguration of a vast new aid program. We do believe

that the greater flexibility which the Congress has approved in the use of funds will enable us to undertake some new and more effective programs which will materially contribute to the strengthening of the area.

In our preparation for this important mission, we have deeply appreciated the support and good wishes of the American people and of those in other lands. Our inspiration and our purpose are strong. We shall do our best.

## Third Meeting of the Council of the Southeast Asia Treaty Organization

*Following is the text of the final communique issued at the close of the third annual meeting of the Council of Ministers of the Southeast Asia Treaty Organization, held at Canberra, Australia, March 11 to 13, together with three statements made by Secretary Dulles at the meeting and the transcript of a news conference held by Secretary Dulles at Canberra on March 13.*

### FINAL COMMUNIQUE, MARCH 13

Press release 141 dated March 13

Plans to consolidate and enhance the progress made in preserving the freedom of all countries in Southeast Asia have been agreed to by the SEATO Council at its third meeting, held under the chairmanship of Mr. R. G. Casey, Minister for External Affairs of Australia.

These plans provide for:

Maintenance of the defensive capacity of Treaty members to deal effectively with armed aggression.

Extension of the program to detect, appraise, expose and combat subversion directed from without.

Development of the economic resources of Treaty members, particularly the Asian member states, by measures inside and outside SEATO.

### Defense Plans

The Ministers believe that while the immediate military threat to peace in Southeast Asia has diminished, the forces of international Communism are still working for the ultimate objective of world domination.

The Council noted that in Asia the Communist so-called peace front is in reality a front of millions of armed men. The military strength of Communist China and of North Viet-Nam is continually being increased.

In the circumstances the Council agreed that SEATO could not relax its vigilance and must maintain its capacity to deter and repel aggression. In the face of the threat which is not itself static, the SEATO nations by their united efforts are continually increasing and adapting their capacity to deal with it. If the Communists have chosen for tactical reasons to exert their pressure by other than military means for the present, this does not mean that they would not attempt to exploit any weakness in SEATO military preparedness if the opportunity came.

As a result of the work of the military advisers over the past year, SEATO Governments are agreed upon the nature of the Communist threat in the Treaty area and the kind of military measures which would be necessary to defeat it.

Military planning is a continuing process and

will be helped by the setting-up of a permanent military planning office at Bangkok with staff representing all member countries.

Close cooperation among the forces of the member countries is being assisted by realistic training exercises arranged by the SEATO military advisers.

#### **Anti-Subversion Program**

The Council believes that the military threat to the region is deterred by the very existence of SEATO and the collective defense represented by its members. The emphasis in Communist and Communist-inspired tactics in the area has therefore continued to move from the open threat of force to more flexible tactics of non-violent penetration and undermining of non-Communist states still accompanied in some cases by armed insurrection.

Believing that public knowledge of these tactics—of how and where subversion is occurring—is an essential prerequisite of effective action against them, the Council agreed to direct its civil organization to intensify its work of identifying all phases of subversive tactics; to make known its findings amongst member governments; and to expose them to the scrutiny of public opinion.

With this object the Council approved specific projects for the exposure of these activities. Basic material for these projects will come from analyses by the Committee of Security Experts and from information provided by the SEATO Research Service Center and by member governments. The Council recognized that in counter-ing subversion the primary responsibility rests with each government, aided as necessary by its friends. But an important supplementary role can be played by SEATO, and decisions made by the Council at its present meeting will make that role more effective.

#### **Economic and Social Progress**

The Council discussed economic activities relating to Article III of the Treaty.<sup>1</sup> The representatives of Pakistan, the Philippines, and Thailand drew attention to the economic problems in their countries requiring cooperative action with other members, and the Council discussed what

were the most appropriate arrangements by which these problems might be resolved.

SEATO expert Committees have recommended specific projects to assist in relieving the economic burden of defense and to make a contribution towards the continuation of economic development under SEATO's protective shield. Council members undertook to consider the carrying out of these recommendations.

The Council noted with satisfaction the progress made in the economic development of Asian member states. The Council also noted that a number of countries, particularly the United States, were providing considerable economic assistance bilaterally as a direct contribution to treaty objectives. In addition to these bilateral programs, some assistance is being provided specifically under the auspices of SEATO. For example, the Australian Government is thus providing 2 million pounds.

The Council decided that SEATO cultural activities should include encouragement and assistance to national activity in this field. It urged member governments to foster bilateral cultural exchanges within the SEATO Community.

In addition the Council approved a number of multilateral projects in the cultural relations field.

This is a new and promising development which will strengthen the spirit of friendship which already marks the relations between the eight SEATO member countries. A major cultural project approved for immediate introduction is a SEATO fellowship program under which scholars of SEATO countries will be encouraged to undertake study and research in fields of special interest to SEATO.

Another important project adopted is the convening in one of the Asian member countries, of a "Round Table" meeting, consisting of outstanding authorities, in order to discuss Asian civilizations and cultures.

The Council also adopted a French proposal that the competent bodies of SEATO should consider the problem of educational assistance in the Treaty area and recommend measures applicable in this field within the framework of SEATO.

#### **Permanent Organization and Budget**

The Council considered the strengthening of the permanent civil organization in Bangkok and to that end decided to appoint a Secretary General

<sup>1</sup> For text, see BULLETIN of Sept. 20, 1954, p. 393.



and a Deputy Secretary General. They directed the Council Representatives to determine the terms of reference of these officers and the timing of the appointments and to consider and report on nominations from member governments for these posts.

The Council approved a budget of \$787,145 for the fifteen months ending June 30, 1958 to cover the cost of their permanent civil and military headquarters in Bangkok and to help finance certain joint programs.

### **Final Observations**

Among the topics discussed by the Council was that of neutralism.

It was observed with concern that some governments have in varying degrees adopted a line of active opposition to collective security arrangements such as SEATO which are in full accord with the Charter of the United Nations.

It was hoped that as time passed and the value of SEATO became more widely appreciated that those who criticized it today would eventually be willing to welcome it. SEATO is not an exclusive organization but remains open to all those countries in Southeast Asia who are willing to share its benefits and responsibilities. The Council members wish to stress that it was genuine concern for the security of the area which led to their voluntary association in SEATO; all nations of the area whether members of SEATO or not, are benefiting from the protection provided by SEATO's collective deterrent strength.

The members of the Council recorded their abhorrence at the use of Soviet forces to crush the struggle by the Hungarian people for independence. They noted that the Soviet action was condoned and supported by Communist China. They noted the vivid and revealing contrast provided by the policies of certain member governments, which have already led or are now leading to full independence in various hitherto dependent territories.

The Council met in an atmosphere of great friendship, understanding and mutual trust. As the organization moves into its new and expanded phase of activity, the Council members are determined that SEATO will work for the enrichment as well as the defense of human life and liberty in accordance with the principles and purposes of the Charter of the United Nations.

The representatives attending the Third SEATO

Council Meeting were: Australia – Rt. Hon. R. G. Casey; France – M. Pierre de Melice; New Zealand – Hon. T. L. MacDonald; Pakistan – Mr. S. Amjad Ali; Philippines – Vice President Carlos P. Garcia; Thailand – Mr. Rak Panyarachun; United Kingdom – Rt. Hon. The Earl of Home; United States – Hon. John Foster Dulles.

### **STATEMENT BY SECRETARY DULLES AT OPENING SESSION, MARCH 11**

Press release 128 dated March 11

It is a great satisfaction for me to serve for the third time as the United States representative at the annual conference of the SEATO Council. It is appropriate that we thus come together to take stock of our strength in the vital SEATO area. We are happy to be able to do this in the hospitable land of Australia.

During the 3 years since our defensive treaty was signed, SEATO has proven a strong bulwark. It has contributed greatly to the relative peace and security which all the member nations now enjoy. SEATO is an effective force against aggression and subversion. This fact has encouraged constructive developments in many fields. The increased stability in the treaty area is fully evident.

One notable example is the unity and strength developed by the Republic of Viet-Nam. A serious problem does, however, remain in Laos, where, despite the Geneva armistice agreement, international communism continues to support the Pathet Lao insurgents. The Republic of Korea, Japan, and the Republic of China are outside the treaty area, but there is an interlocking connection with them because the United States does have collective defense treaties with these other free Asian nations. It may therefore be relevant to report that there is growing strength in each of these three other free nations.

Political progress within our treaty area is attested by the fact that the Federation of Malaya will soon achieve full independence. With respect to Singapore, amiable and fruitful discussions are now in progress. During the period of SEATO's existence, the free countries of the area have conducted orderly elections on a nationwide basis and have been able to implement their ideals of universal suffrage and free elections.

Substantial social and economic progress has



been made by all member states. A broad interchange of visits by officials, as between the free Asian countries, has served to create new bonds of friendship and understanding. Useful interchanges have also taken place between the free Asian nations and the West. I recently had the pleasure of receiving in my offices the 1,000th Thai to come to the United States under the technical training program conducted by our International Cooperation Administration.<sup>2</sup> By such interchanges in their lands and ours, the American people learn much about the ancient culture and the modern aspirations of free Asian nations. I hope in turn that they learn something of value from us and that it will serve both to advance their own professional careers and to contribute to the happiness and well-being of their peoples.

United States cooperation with our Asian partners continues through bilateral arrangements for economic aid, technical assistance, and cultural exchange. These include our recent program of SEATO cultural grants.<sup>3</sup> Also of help is our membership in the Colombo Plan and ECAFE [Economic Commission for Asia and the Far East], and our bilateral agreements of sharing knowledge and materials for the peaceful uses of atomic energy. Plans for an Asian Nuclear Center located at Manila are being actively studied by the Colombo Plan nations with assurance of substantial United States support, both technical and financial.

Our mutual security pacts, including SEATO, are other manifestations of the same intent. And let there be no doubt in any quarter—be it friendly or hostile—that the American Nation is united in its determination to respond to our obligations under these pacts. Also that determination is backed by power in being and in useful places.

### **Beyond the Treaty Area**

We need, however, also to look beyond the confines of our own treaty area. Events elsewhere have been dramatic and instructive. Since we last met, it has been demonstrated beyond a doubt that the materialistic rule of communism will never meet the aspirations with which human beings are endowed by their Creator.

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<sup>2</sup> For an exchange of correspondence between President Eisenhower and the Prime Minister of Thailand, see *BULLETIN* of Mar. 18, 1957, p. 442.

<sup>3</sup> *Ibid.*, Mar. 25, 1957, p. 503.

Within the Soviet Union, the rulers have had to disavow Stalin's brand of communism. They have had to move, even though slowly, toward granting their people greater personal security, greater freedom of thought and of conscience, and greater enjoyment of the fruits of their labor. Within Poland and Hungary, 12 years of indoctrination have failed to persuade the youth that the Soviet system satisfies either national or their individual desires. Throughout the satellite area, there is revulsion against the brutal colonialism and exploitation of Soviet imperialism. We can confidently conclude from this that international communism now imposed upon many of the peoples of Asia is a passing and not a permanent phase.

On the other hand, developments elsewhere reveal characteristics which should keep us on guard. When the people's revolt in Hungary could not be subdued by the Red Army forces already there, Hungary was openly invaded and overrun by Soviet divisions, spearheaded by tanks. They ruthlessly slaughtered the people of Hungary who were manifesting their desire of freedom. The Soviet rulers did this in defiance of repeated calls from the United Nations that the Soviet desist from this armed attack upon another member state in violation of the charter.

In the Middle East, the Soviet rulers have persistently sought to foment trouble. Whenever it seemed that the difficulties in the area might be peacefully composed, the Soviets have intervened and by vicious propaganda and by large-scale arms shipments sought to set the peoples of the area against each other. All of this again is in clear defiance of their obligations to seek the settlement of international disputes by peaceful means and in conformity with the principles of justice and international law.

We must keep indelibly clear in our minds that international communism is not regardful of legality or of humanity or of the moral force of world opinion as reflected in the General Assembly of the United Nations. For these reasons it is at most but a transient if painful episode in the history of mankind.

The open support given by the Communist Chinese to Soviet colonialism and imperialism and to Soviet defiance of the United Nations has ominous implications for all free Asian nations. These actions give us all ample warning of the true nature of the Chinese Communist regime. They also

emphasize the continuing importance of the military side of SEATO, of the work of our military advisers and of our combined military planning. All of this has been highly effective.

### **Avoiding Communist Traps**

A year ago at Karachi I stated that the success of our trade, aid, and cultural exchange programs was producing imitators.<sup>4</sup> These imitators, I said, would use such programs for completely different purposes. Our purpose is to build up the free nations. Their purpose would be to destroy freedom and independence.

I also predicted that the free Asian leaders who had shown great political skill in winning independence for their countries would readily distinguish between liberty and tyranny. They would do so even though tyranny went about disguised in the pilfered clothes of liberty. I do not think any of the free Asian leaders have been deceived. Some may not yet be fully aware of the danger from the numerous underground forces which the Communist conspirators traditionally use. However, in various free Asian countries there is already evidence of official action to counter Communist penetration of schools, trade unions, and minority groups. These are encouraging beginnings in meeting a large-scale and growing threat.

We who are members of SEATO may gain influence beyond the treaty area as we ourselves set a good example. Let us put our own houses in order. Let us avoid Communist traps baited with offers of trade and aid. Let us expose Communist techniques of subversion. Let us make economic and social progress. Let us build up our educational systems. Let us give fair treatment to minority groups. Let us train capable trade-union leaders. Thus we can do much to show other free nations how to seal off effectively the various traditional avenues of Communist penetration.

The several SEATO committees have done much planning to assist member nations toward this end. I congratulate all who have taken part in laying this groundwork for SEATO activities and cooperation in many fields. In the months and years ahead those plans need to be put into effect and enlarged. I am sure that in these meetings here at Canberra we shall contribute strongly to this achievement.

<sup>4</sup> *Ibid.*, Mar. 19, 1956, p. 449.

### **STATEMENT BY SECRETARY DULLES ON U.S. CHINA POLICY, MARCH 12**

Press release 138 dated March 13

The United States adheres steadfastly to the three main aspects of its China policy, which is to recognize the Republic of China; not to recognize the so-called People's Republic of China; and to oppose the seating of this People's Republic in the United Nations as the accredited representative of what the charter calls the Republic of China.

This policy is not merely an expression of emotional dislike of Chinese communism, although the creed and practices of the Chinese Communists are in fact repugnant to us. Also our policy is not merely an expression of sentimental loyalty to the Republic of China, although we do feel loyalty to a Government which was loyal to the Allied cause throughout even the darkest days of the Second World War.

Our policy stems primarily from considerations of national interest and, we believe, of international interest. First of all we ask ourselves: Will the interests of the United States be advanced by according diplomatic recognition to the Chinese Communist regime?

The answer to that is in our opinion clearly negative. United States diplomatic recognition of the Chinese Communist regime would serve no national purpose but would strengthen and encourage influences hostile to us and our allies and further imperil lands whose independence is related to our own peace and security.

In this connection we recall that there are many millions of immigrant Chinese who form parts of the populations of free Asian countries. Today many of them, perhaps most of them, remain loyal to the Republic of China now seated at Taiwan, which symbolizes the China that they know. We can see only loss and no gain in action which would make these overseas Chinese more apt to serve the subversive policies of the Chinese Communist regime.

If we examine this matter from the standpoint of the United Nations, we come to a similar conclusion. The United Nations would not be strengthened if the Communists were there to represent China, and we cannot see that they have any right to this role.

The charter seeks that membership should be made up of peace-loving governments able and



willing to carry out their obligations under the charter. There is no evidence that the Chinese Communist regime would represent China in the spirit envisaged by the charter. It has fought the United Nations in Korea and still stands condemned as an aggressor against the United Nations. It seized Tibet by force. It promoted the war in Indochina. It refuses to renounce resort to war as an instrument of its policy in relation to Taiwan and the Penghus. Its conduct toward other nations and their citizens does not reflect the tolerance and good neighborliness which the members of the United Nations are supposed to practice.

If the Communist regime were allowed to represent the Republic of China in the United Nations, it would presumably sit on the Security Council as a permanent member with veto power. That Council is the body which by the charter is entrusted with primary responsibility for the maintenance of peace and security in conformity with the principles of justice and international law. It would be grotesque if that high responsibility were to be conferred upon a regime which itself stands condemned as an armed aggressor against the United Nations and which itself is a most conspicuous violator of justice and international law.

The United Nations is faced with growing responsibilities. These could not be more readily discharged by giving the Chinese Communists the opportunity to work mischief there.

We believe that United States policies are not merely in our own interest and in the interest of the free world but also that they are in the interest of the Chinese people themselves, with whom the American people have historic ties of friendship.

#### **STATEMENT BY SECRETARY DULLES AT CLOSING SESSION, MARCH 13**

Press release 140 dated March 13

We have, I believe, every reason to be gratified with what has been accomplished during the 3 days of the SEATO Council meeting at Canberra. Inspired by the opening address of Prime Minister Menzies, we have gone on to adopt sound recommendations for expanded activities. These will promote the peace and security of the area by making the SEATO nations better able to counter in all its varied aspects the Communist threat.

These programs cover diverse fields, such as combined military-defense information programs, economic cooperation, and cultural exchange. But they all have a single purpose. Their aim is to strengthen spiritually and physically the peoples and nations who wish to resist the Communist menace and to pursue in freedom their individual and national aspirations. These manifold activities of SEATO require for their success a high degree of coordination. This will be promoted by the Secretary General and Deputy Secretary General, new positions which the Council here has agreed to establish.

I wish, Mr. Chairman, to express my appreciation and that of the entire United States delegation to our host, the Government of Australia, to you, Mr. Casey, our able chairman, and to the others here in Canberra who have done so much to make the Council meeting the success it has been. We recognize the enormous effort that goes into preparing for such an important meeting attended by so many people of different lands. We have been met on all sides by careful preparation, courtesy, cooperation, and good humor. It is the excellence of arrangements made for us here that has permitted us to accomplish so much in these 3 days.

These arrangements have a significance which goes far beyond the personal enjoyment of the delegates themselves. It contributes to the development of the friendship between our countries which, as Prime Minister Menzies pointed out, is one of the imponderable but most valuable assets of our association. In this connection, I am sure that my colleagues will wish to join me in asking the chairman to convey to the Speaker of the House and the President of the Senate our gratitude for their gracious hospitality and ask them to convey to the parliamentary staff and to Hansard our appreciation for their great assistance and the skill with which they have handled this important conference.

The success of this third Council meeting, like that of the previous two, also owes much to the various SEATO committees, the Council representatives, and the military advisers, who did such excellent work in preparing their reports and recommendations. Their conscientious efforts through the more than 2 years of SEATO's existence have made it possible for us to look forward each year with increased confidence in ourselves and in



our capacity to resist the varied forms of attack which we know are being made and will continue to be made against us by the Communists.

At this meeting we have again affirmed our belief that only through the exercise of what the United Nations Charter calls the inherent right of collective defense backed by adequate force can we expect to remain free. By constant vigilance and dedication to the high purposes expressed in our treaty and in the Pacific Charter, we can hope that in the coming year SEATO will contribute further to the peace and security not only of Southeast Asia but of the world. Thank you.

## **SECRETARY DULLES' NEWS CONFERENCE, CANBERRA, MARCH 13**

Press release 144 dated March 14

*Secretary Dulles:* I am very happy to have a chance to meet with you for a few minutes. Our conference has just closed, and I shall be going back to Washington the first thing tomorrow morning. It has been, I think, a good conference. It has not been spectacular; it has been harmonious and in that respect perhaps it has not made much news, but from the standpoint of a member of the Council I would rather have it that way. We have built, I think, constructively, and I have the feeling more than ever before that SEATO is a real solid going concern. My feeling in that respect is somewhat increased perhaps by the fact that I am told that the Communist propaganda is attacking us very viciously and blaming all the evils of much of the world upon SEATO. That, at least, proves that we are not insignificant. I might say in reply that I think events of recent years have demonstrated beyond the possibility of doubt that the Communists try to make trouble where there is none and, if there is any anywhere, they try to make it worse. That has certainly been our experience during this last year. Now if you have any questions I would be glad to try to answer them.

*Q. Mr. Dulles, is it correct that under what is now known as the Eisenhower Doctrine, if one of the Middle East powers asked for military aid to protect them from armed aggression, the United States will give such aid?*

A. Well, there are three aspects of the so-called Eisenhower Doctrine. One is to assist the coun-

tries to build up their economies so they can be strong and independent. The second is to help them to develop their own defensive capabilities so that they will have a dependable security-defense force. And the third is, if they are attacked by a Communist-controlled country and if they want our assistance, the President is authorized to give it.

*Q. Mr. Dulles, the situation in the Middle East—do you see any alarming portents in the new developments there?*

A. Well, I would not like to answer that question because I am not fully up to date. I would prefer not to talk about the recent developments in that part of the world. Those are being handled—from the standpoint of the United States—being handled from Washington. And I am not kept fully informed, and I would prefer not to comment on the basis of inadequate information on what is obviously a delicate situation.

*Q. Mr. Dulles, could you answer a subsidiary question stemming from the first one?*

A. All right.

*Q. Why was it that the United States did not give military aid to Hungary when she appealed to the United States to protect her from Russia?*

A. Well, there was no basis for our giving military aid to Hungary. We had no commitment to do so, and we did not think that to do so would either assist the people of Hungary or the people of Europe or the rest of the world.

## **U.S. Negotiations With the Philippines**

*Q. Mr. Dulles, has there been any progress in the United States negotiations with the Philippine Government on the question of American bases in the Philippines?*

A. There has been no recent progress made. The talks have been temporarily suspended. I expect that they will be resumed soon. The differences between us are, I think, not insurmountable, and I expect that there will be an amicable settlement, but at the moment the discussions are in suspension.

*Q. Mr. Secretary, the question I have been trying to ask is whether or not the events in the Middle East have caused any change in your plans to*

return home. You are still planning to stay overnight here and start back tomorrow morning?

A. Yes, I am going back according to schedule, going back tomorrow morning. I hope to spend a day at Honolulu and rest up, and I will be back in Washington on Saturday or Sunday and get ready for the Bermuda conference with Mr. Harold Macmillan, which will begin on Wednesday afternoon.

Q. *We should not put any significance to your leisurely trip tomorrow? You don't regard the Middle East situation as alarming?*

A. No, all I can say is that I am conscious that the people in Washington are perfectly able to take care of it.

Q. *That means you will miss the National Security Council meeting that is called for Thursday?*

A. They have them every Thursday; so, if I am ever absent on a Thursday, I miss that meeting.

Q. *I understand that this was specially called for the Middle East discussion.*

A. I don't think so. I think it is a regular Thursday meeting.

Q. *Mr. Dulles, is America introducing atomic weapons to Southeast Asia for SEATO defense in the area?*

A. No, not that I am aware of. We have atomic capabilities in our own mobile forces in the area, but they are confined, as far as I am aware, to our own forces.

Q. *Mr. Dulles, could you say why it is that President Eisenhower has not asked for authority to protect any European country against armed aggression?*

A. We have such authority in the North Atlantic Treaty. You see, we get the authority in any one of two ways. One is by a congressional resolution, and the other is by a treaty. A treaty becomes a law of the land in the same way that a congressional joint resolution becomes law of the land. So that we can operate in either of two ways, either under the treaty form, which is the case of Europe, or the joint resolution form, which is that adopted in the case of the Middle East.

Q. *Could I just ask you to explain why the United States, after suggesting the formation of the Baghdad Pact, subsequently withdrew from it?*

## Baghdad Pact

A. Well, it would be hardly accurate to say we withdrew from it because we were never a member of the Baghdad Pact. We did suggest the desirability of an organization for security purposes of what I call the northern-tier countries. I made that suggestion after having been out there the first year I was Secretary of State some 4 years ago. We were very glad to see the Baghdad Pact formed. We are associated with it in many respects, and I hope will become even more closely associated with it without necessarily becoming a formal member of the treaty organization.

Q. *Mr. Dulles, in your opening address to the Council and those of the other Ministers, there was reference to the primary requirement of insuring the security of countries in South and Southeast Asia. Could you tell us how SEATO proposes to apply that to the Kashmir problem?*

A. Well, I am not sure that SEATO will interest itself in the Kashmir problem. I don't think that is a problem for SEATO. You will recall perhaps that the United States, at least in adhering to the SEATO treaty, said that the aggression with which we concerned ourselves was Communist aggression, and we limited our participation to that kind of aggression.

Q. *Would that be direct aggression, sir, or Communist-inspired aggression?*

A. I think that the actual language of the treaty is "Communist aggression."

Q. *Mr. Dulles, you are reported to have told the United States Congress on January 25 that an American soldier called upon to fight in the Middle East could "feel a lot safer" if he did not have British and French troops alongside him. What do you mean by that?*

A. I was referring to the fact that some of the Senators were suggesting that, if there were military operations in the area, they should be undertaken jointly with the British and the French. On the other hand, the United Nations had just called upon the British and the French to withdraw and had created the United Nations Emergency Force without participation by the British and the French. It did not seem to me under the circumstances it would be desirable for us to try to bring back the British and French forces into the area from which they had just retired as a result of the recommendations of the United Nations.



*Q. Mr. Dulles, is the United States putting off naming an American ambassador to the Philippines until after the elections there and, as a consequence, putting off the bases talks?*

A. No, I hope that we will be able to ask the *agrément*, as it is called, of the Philippine Government for the appointment of an ambassador shortly.

*Q. And who is that?*

A. We will have to tell the Government that first.

#### **Possibility of Sudden Communist Attack**

*Q. Mr. Dulles, would you feel that things are just as delicate in the Southeast Asia area as in the Middle East?*

A. I would say that there exists here about the same danger of Communist attack as there does in the Middle East. I spoke to that point somewhat this morning at the conference, pointing out the fact that the danger of attack from Communist-controlled countries can never be foreseen with any confidence. When it comes, if it comes, it will be because in the Communist type of dictatorship they can make their preparations in entire secrecy. There is no parliamentary situation to concern them, no public relations situation to concern them; there is no free press to concern them, and they can always act and, if they wish, strike in a way which will take us by surprise. Therefore, we must always be prepared and ready as long as they have the kind of military potential which they do have, and as long as they have the expansionist ambitions which they do have.

*Q. Mr. Dulles, what are you hoping will be the outcome of the Bermuda talks?*

A. Well, these talks are the kind of talks which we have periodically with the heads of other governments with whom we have many relations. There are always a series of these talks throughout each year, and there are a number of matters of common concern to the British and ourselves that we will talk over, and I think we will come to a better understanding between ourselves.

*Q. Is the United States concerned about the presence of Russians in Antarctica, and is the United States prepared to do anything about them?*

A. We are concerned about their presence there. In fact, we are concerned about their presence almost anywhere. I have had talks on that subject with your Prime Minister and your Foreign Minister. I think we want to be very careful that the Soviets, under the guise of the Geophysical Year, don't engage in activities which are not contemplated by the scientists who outlined that year.

*Q. Mr. Dulles, in view of what you just said about the danger of sudden Communist attack it would be possible legally for the United States to act immediately under the SEATO treaty if that attack occurred in this region?*

A. Yes, it would be.

*Q. Mr. Dulles, has the Australian viewpoint on Dutch New Guinea been put to you, and, if so, have you had any reaction to it?*

A. About New Guinea, no, we have not had any particular talks about that. I think the problem comes up annually at the United Nations. It came up again this year. I forget what the disposition was. But our position in that matter is well known. There is nothing new to develop on that.

#### **Middle East**

*Q. Mr. Dulles, do you feel that the United Nations should take a stronger line with Egypt, as it took with Israel?*

A. I think that we should try to stand for the principles of the charter, the principle that disputes should be settled by peaceful means and in conformity with the principles of justice and international law. That is the first article of the charter. We have tried to make that prevail as against Israel, and I believe we should also try to make it prevail as against Egypt.

*Q. Has the United States of America ever regretted its decision to cancel the loan to Egypt for the Aswan Dam?*

A. No, I think if anything events have confirmed that fact that it would not have been a wise operation for us to have tried to conduct together. That was a gigantic proposition which involved expenditures of probably a billion and a half dollars, by far the largest operation of the kind ever known in the history of the world. It

would have taken about 15 years of close association: it would have involved an austerity program on the part of Egypt which I think the people would have come to resent and would have blamed the foreigners who were the partners in the enterprise. The more we studied it, the more we came to the conclusion that it was not a suitable project for the United States and the United Kingdom, because they were in it also, to try to conduct with Egypt.

*Q. Do you think it hastened the seizure of the canal company by Egypt?*

A. Well, it is hard to say whether that hastened it or not. We now know from statements made by President Nasser and also made by President Tito that there had been plans to seize the Universal Canal Company made approximately 2 years before. The plans were all ready and this may have provided the occasion, but, if there had not been this occasion, I am quite sure another one would have been found.

*Q. Mr. Dulles, was it the hope of your Government when the United Nations first moved into the Gaza Strip that they would remain for some considerable time?*

A. We believe that it would be desirable to have the United Nations Emergency Force function as a barrier between Israel and the neighboring Arab countries. That has been difficult to work out, partly because Israel has not wanted to have any elements of the United Nations Force on the Israeli side of the boundary and Egypt has not wanted to have them exclusively on the Egyptian or Gaza Strip of the boundary. But I still hope something can be worked out there to give greater stability and tranquillity to the area and to put a stop to the raiding back and forth.

*Q. Did the Israeli Government agree to withdraw its forces on the assumption of the United Nations barrier?*

A. No, I would hardly say that, because Israel itself has been the principal obstacle to creating that barrier. As I pointed out, they have not wanted to have the United Nations forces actually on the boundary line.

*Q. Mr. Dulles, since the Philippines will not yield on this question of jurisdiction, will the United States eventually meet the Philippine demands?*

A. I don't believe the issue is quite as sharp as your question suggests, and I am confident of this, that two countries which have as much in common as the Philippine Republic and the United States have are going to find a mutually satisfactory answer to this problem. It is unthinkable that our whole problem of mutual security, which is so important to both of us, should collapse on this issue. I am sure it will not collapse because I have faith in the reasonableness and conciliatory nature of both parties.

*Q. Could you give us some information on the ideas of the United States thinking of the present internal strife in Indonesia?*

A. Well, it is always difficult and a little bit dangerous to try to diagnose what is essentially, I think, an internal development within Indonesia. But from the information that I have it would seem as though this was largely a problem of the degree of autonomy to be accorded to the different islands. It is a question of, you might say, the balance of power between the Federal Government and the various island communities. I do not believe that in its present manifestation it has any international aspects of significance.

#### **Communist China**

*Q. What assurances, undertakings, and actions would the United States require of Communist China before it would consider recognition of the Communist regime?*

A. Well, as I said in my statement, the United States looks at it from the standpoint of doing or not doing what will serve the best interests of the United States. Now when you have a regime which is avowedly hostile to us and all that we stand for, to my mind it doesn't make much sense that we should take action to make it stronger and enhance its influence and prestige in the world. The reason for our action is what basically I described and, if that reason disappeared, then I suppose we would have to reconsider the situation, but basically a nation conducts its foreign policy in such a way as to protect itself and recognition is something that is a privilege, not a right. No government has a right to have recognition. It is a privilege that is accorded, and we accord it when we think it will fit in with our national interest, and if it doesn't, we don't accord it.

*Q. Mr. Dulles, have you had talks today or talks*



*at all here with Lord Home and Mr. Menzies on the situation in the Middle East, specifically the Gaza Strip?*

A. Well, we have not discussed it except in the most casual way because, as I have said, I have not here in Canberra tried to keep in touch with that situation. That is being dealt with, from the standpoint of the United States, in Washington. And while we have alluded to it casually as we have met together on various topics, we have not had any serious talks about the matter because I have said to them the same thing that I have said to you here—I am not handling that phase of the matter for the Government of the United States. At the present time it is being handled by the Acting Secretary of State in Washington.

*Q. Can you express your views on the future form of administration of the Suez Canal?*

A. Well, the views that we hold are those that were expressed first at the conference in London where the 18 nations, including the United States, adopted certain proposals and the matter was further discussed in the Security Council of the United Nations and there the United States, as a member of the Security Council of the United Nations, voted for the so-called six principles. Then there were private discussions on the application of those six principles which were conducted by the Secretary-General as between the Foreign Secretaries of the United Kingdom, France, and Egypt, and those were expressed and embodied in a letter which the Secretary-General made public to the members of the United Nations. That all advanced the matter quite a long way toward what we think is an acceptable solution, and if that could be brought to a conclusion, as was forecast at that time, I think it would be generally acceptable.

*Q. Mr. Dulles, referring again to atomic weapons, would the United States forces in the Pacific have quick access to them in an emergency?*

A. The United States forces, yes indeed. Our forces almost everywhere nowadays have atomic weapons as almost a normal part of their equipment. Now we don't take them everywhere, but so far as they are on American soil and under American jurisdiction or on American ships, American planes, they have immediate access to atomic capabilities.

*Q. Following that, Mr. Dulles, the Commander in Chief of NATO said on his appointment that he would use, on behalf of NATO, he would make the fullest use of all atomic weapons. Does that policy also apply to the combined forces of SEATO?*

A. Well, of course we don't have quite the same military setup. There is no commander of a joint operation in SEATO as is the case with NATO, where there is a SACEUR, the Supreme Commander of Europe, who has the operational responsibility for forces of a number of different nationalities. But the United States forces which are committed to the defense of SEATO would have the same atomic capability as the United States forces do in NATO.

*Q. Does the United States envisage ever using the Woomera rocket range for rocket testing?*

A. Now you are out of my depth. I don't know. That is a matter that the Defense people would know about, but I don't know.

*Q. There was some speculation that Mr. Menzies would be asking you for a clear definition of United States policy on the Middle East during your visit here. I guess it was only speculation, but I wonder if you had been asked for that.*

A. No, I wasn't asked for that. I think our position is fairly clear. I will take one more question, and I have to get ready for dinner with Lord Home.

*Q. Have you a clear view of United States policy on the Middle East?*

A. Have I a clear view of it? I think so, yes.

## **Working Group on German Reunification Completes Report**

Press release 149 dated March 15

The Working Group, consisting of representatives of the United States, the United Kingdom, France, and the Federal Republic of Germany, which has been meeting at Washington to review the problem of German reunification in relation to European security, has now completed a report for the consideration of the four governments.<sup>1</sup>

<sup>1</sup> For an announcement of the meeting, which began on Mar. 6, and the names of the chief representatives of the four governments, see BULLETIN of Mar. 25, 1957, p. 491.

## German Minister for Atomic Affairs To Visit the United States

The U.S. Atomic Energy Commission and the Department of State announced on March 12 (press release 136) that Siegfried Balke, German Federal Minister for Atomic Affairs, would arrive March 13, aboard the S.S. *United States*. He will be in the United States about 10 days.

In response to an invitation from the Department of State and Lewis L. Strauss, Chairman of the Atomic Energy Commission, Dr. Balke will proceed to Washington for talks with officials of the Department of State and the Atomic Energy Commission. Afterward, the Minister will visit the first full-scale nuclear power plant under construction at Shippingport, Pa., and the Commission's National Laboratories at Lemont, Ill., and Oak Ridge, Tenn. Before returning to Germany, Dr. Balke will visit Canada.

## Mr. Stassen To Represent U.S. at London Disarmament Meetings

Press release 139 dated March 13

Harold E. Stassen, Special Assistant to the President, will represent the U.S. Government at the forthcoming meetings of the Disarmament Subcommittee of the United Nations Disarmament Commission, which are expected to convene at London on March 18, 1957.

Amos J. Peaslee, formerly American Ambassador to Australia, will be the Deputy U.S. Representative.

The United Nations Disarmament Commission was established by the General Assembly in 1952 and is concerned with preparing proposals on all aspects of the regulation of armed forces and armaments, including nuclear weapons. The Commission is composed of the 11 members of the United Nations Security Council and Canada. In 1953, on recommendation of the General Assembly, the Disarmament Commission set up a Subcommittee of Five—Canada, France, the United Kingdom, the United States, and the Union of Soviet Socialist Republics—to seek in private an acceptable solution of the disarmament problem. This Subcommittee met most recently at London in the spring of 1956. It has now been

reconvened to continue its efforts in accordance with a United Nations General Assembly resolution which passed 76-0 on February 15, 1957.<sup>1</sup>

## Hungary's National Holiday

*Statement by President Eisenhower*

White House press release dated March 15

March 15th is a day of special significance to the Hungarian people. As a traditional Hungarian national holiday commemorating the Hungarian people's struggle of 1848-49 against foreign domination, it symbolizes their enduring aspirations for freedom and national independence.

It is most fitting at this time, when the world has again witnessed the courageous sacrifice of the Hungarian people for these cherished ideals, that we should affirm our understanding of the meaning which this day has in the hearts and minds of Hungarians everywhere.

The struggle for human freedom has been a vital force in the history and progress of civilized mankind. In our highly interdependent modern society this struggle, wherever waged, has necessarily become the common concern of all humanity. Today, as in the time of Louis Kossuth, the American people deeply sympathize with the just demands of the Hungarian people for freedom and independence.

The suffering which the Hungarian people have undergone for the sake of these principles has forged an unbreakable bond with the free-world community. The Hungarian people have in their lifeblood written anew the message that an alien and unwelcome ideology cannot forcibly be imposed on a free-spirited people. When attempted, the inevitable result is the complete rejection of that ideology and hatred of those who seek to impose such tyranny upon others. In recognition of this truth which the Hungarian people have demonstrated, we can do no less than express our confident hope and our profound belief that the processes of enlightenment and justice among men and nations will triumph in the end in Hungary and in all other oppressed nations.

<sup>1</sup> For background, see BULLETIN of Feb. 11, 1957, p. 225, and Mar. 11, 1957, p. 423.



## Department Announcement Regarding Canadian Ambassador to Egypt

Press release 152 dated March 16

The Canadian Embassy has had discussions with the Department of State with regard to statements concerning E. H. Norman, now Canadian Ambassador to Egypt, made on March 14 during hearings of the Senate Internal Security Subcommittee.

The Department of State notes that comments were made in the committee hearings which could be interpreted as assigning to Mr. Norman certain questionable political affiliations. It should be pointed out that the investigation being undertaken by the committee lies entirely within the control of the committee. Allegations which may have been made regarding Mr. Norman in the course of the hearing do not represent opinions of the U.S. Government.

The United States maintains the friendliest relations with Canada and has every confidence in the Canadian Government's judgment in the selection of its official representatives.

## Tenth Anniversary of Greek-Turkish Aid Program

*Following are the texts of messages sent by President Eisenhower on March 12 to King Paul of Greece and President Celal Bayar of Turkey on the 10th anniversary of the Greek-Turkish Aid Program.*

### Message to King of Greece

White House press release dated March 12

YOUR MAJESTY: I am delighted to convey to you my greetings on the occasion of the anniversary of a decade of Greek-American cooperation in the interest of security and economic progress.

Ten years ago, Greece was fighting bravely for its very existence against the onslaught of communist imperialism. I acclaim Greek achievement in winning that struggle and then repairing the devastation it had caused, and in continuing to play an important part in the defense of the free world.

I am proud that Greece and the United States

have stood together during this difficult period. The partnership of our countries is a striking example of the way in which free nations working together can contribute to the peace and security of the international community.

Most respectfully,

DWIGHT D. EISENHOWER

### Message to President of Turkey

White House press release dated March 12

DEAR MR. PRESIDENT: On the occasion of the anniversary of a decade of Turkish-American cooperation in the interest of security and economic progress, I am delighted to convey to you my greetings. I acclaim the accomplishments of Turkey during the past ten years in strengthening its position of enlightened leadership, and in taking an important part in the defense of the free world.

I am proud that Turkey and the United States have stood together during this difficult period. The partnership of our countries is a striking example of the way in which free nations working together can contribute to the peace and security of the international community.

Sincerely,

DWIGHT D. EISENHOWER

## Pan American Games

Press release 142 dated March 13

*In view of extensive press inquiries regarding the appropriation for the Pan American games scheduled to be held at Cleveland in 1959, Roy R. Rubottom, Jr., Acting Assistant Secretary for Inter-American Affairs, and I. W. Carpenter, Jr., Assistant Secretary-Controller, made the following statements on March 13:*

### STATEMENT BY MR. RUBOTTOM

The Pan American games were inaugurated after World War II by the Pan American Sports Congress, an organization composed of 29 nations of the Western Hemisphere. They are patterned after the Olympic games and are to be held every 4 years, the first having been held in Buenos Aires in 1951 and the second in Mexico City in 1955. It is my understanding that representatives of the

city of Cleveland issued an invitation to this group to hold the 1959 games in their city, and on March 11, 1955, this invitation was accepted by the Pan American Sports Congress and Cleveland was designated as the site for the 1959 games.

When the legislation was proposed, the Department commented as follows:

This occasion will provide our country with an opportunity to further promote pan-American friendship through the effective media of amateur sportsmanship. Our facilities, our hospitality and our treatment of the many visitors from abroad, both participants in the games and spectators, will be compared with that which was provided by Argentina and Mexico. It is important that this comparison not be to our discredit. Not only foreigners coming to Cleveland, but the millions who will follow the games abroad by press, radio and television will be apprised of the importance and attention our country gives these games. They can make a long-term contribution to our foreign policy objectives by creating a broader understanding of our country and people and our recognition of the importance of our good neighbors of this hemisphere.

It is the position of the Department that this undertaking by the city of Cleveland to be host to the Pan-American Games in 1959 merits appropriate support from the Federal Government. It may be appropriate to point out that the National Governments of both Argentina and Mexico provided substantial financial support in the organization of the games in their capitals.

On July 30, 1956, a joint resolution of Congress was approved as Public Law 833 and reads as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated out of moneys in the Treasury not otherwise appropriated the sum of \$5,000,000 for III Pan American Games (1959). The said appropriation shall be available for the purpose of promoting and insuring the success of the Pan American games to be held in Cleveland, Ohio, in 1959 and shall be expended in the discretion of the organization sponsoring said games, subject to such audit as may be prescribed by the Comptroller General of the United States.

#### **STATEMENT BY MR. CARPENTER**

The Department of State is in no way responsible for the issuance of the invitation for the games to be held in Cleveland. The Department's interest is based on its desire that the games be held in

circumstances and in an atmosphere which will promote friendly relations among the nations of this hemisphere. Since an American city is the host, it is particularly important that our foreign guests depart with a feeling that they have been among sincere friends.

An appropriation has been included in the Department's budget for fiscal year 1958. The Department is not in a position to speak to the details for which these funds are required. Officials of the city of Cleveland and of the Pan American Games Foundation are familiar with that.

The Department has no substantive responsibility for these games. Neither will it have a voice with regard to the manner in which these funds will be spent. It would seem appropriate, therefore, that justification for these funds should be advanced by the representatives of the Cleveland Pan American Games Foundation, which organization would have the responsibility rather than the Department.

The Department believes that the inclusion of this type of estimate in the State Department appropriation structure is undesirable since the State Department does not customarily engage in actually spending funds for activities of this kind within the United States. The Department will have no objection if this item were to be removed from its appropriation chapter.

### **Letters of Credence**

#### *Haiti*

The newly appointed Ambassador of Haiti, Dantes Bellegarde, presented his credentials to President Eisenhower on March 11. For the texts of the Ambassador's remarks and the President's reply, see Department of State press release 127.

#### *Chile*

The newly appointed Ambassador of Chile, Mariano Puga, presented his credentials to President Eisenhower on March 12. For the texts of the Ambassador's remarks and the President's reply, see Department of State press release 133.



## INTERNATIONAL ORGANIZATIONS AND CONFERENCES

### Calendar of Meetings<sup>1</sup>

#### Adjourned During March 1957

|                                                                                                                                                                                           |                                   |                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------|
| U.N. General Assembly: 11th Session . . . . .                                                                                                                                             | New York . . . . .                | Nov. 12, 1956-Mar. 9, 1957. |
| U.N. ECOSOC Subcommission on Prevention of Discrimination and Protection of Minorities: 9th Session.                                                                                      | New York . . . . .                | Feb. 18-Mar. 15             |
| ICAO Technical Panel on Teletypewriter . . . . .                                                                                                                                          | Montreal . . . . .                | Feb. 19-Mar. 8              |
| U.N. ECE Working Party on Gas Problems: 2d Session . . . . .                                                                                                                              | Geneva . . . . .                  | Feb. 25-Mar. 1              |
| U.N. ECOSOC Population Commission: 9th Session . . . . .                                                                                                                                  | New York . . . . .                | Feb. 25-Mar. 8              |
| ILO Governing Body: 134th Session (and Committees) . . . . .                                                                                                                              | Geneva . . . . .                  | Feb. 25-Mar. 9              |
| International Sugar Council: Statistical Committee . . . . .                                                                                                                              | London . . . . .                  | Mar. 4 (1 day)              |
| U.N. ECOSOC Committee on Nongovernmental Organizations . . . . .                                                                                                                          | New York . . . . .                | Mar. 4-6                    |
| SEATO Engineering Workshop Study Group. . . . .                                                                                                                                           | Rawalpindi, Pakistan . . . . .    | Mar. 4-7                    |
| International Sugar Council: Executive Committee . . . . .                                                                                                                                | London . . . . .                  | Mar. 5 (1 day)              |
| International Sugar Council: 12th Session . . . . .                                                                                                                                       | London . . . . .                  | Mar. 6-7                    |
| FAO Committee on Relations with International Organizations . . . . .                                                                                                                     | Rome . . . . .                    | Mar. 7-8                    |
| U.N. ECAFE Industry and Trade Committee: 9th Session . . . . .                                                                                                                            | Bangkok . . . . .                 | Mar. 7-17                   |
| SEATO Council: 3d Meeting . . . . .                                                                                                                                                       | Canberra . . . . .                | Mar. 11-13                  |
| Technical Advisory Council of Inter-American Institute of Agricultural Sciences: 2d Meeting.                                                                                              | Turrialba, Costa Rica . . . . .   | Mar. 11-14                  |
| FAO <i>Ad Hoc</i> Intergovernmental Meeting on Wheat and Coarse Grains.                                                                                                                   | Rome . . . . .                    | Mar. 11-15                  |
| International North Pacific Fisheries Commission: <i>Ad Hoc</i> Committee for Study of Reports Submitted Under Article III 1 (a) of the International North Pacific Fisheries Convention. | Tokyo . . . . .                   | Mar. 11-17                  |
| 9th Pakistan Science Conference . . . . .                                                                                                                                                 | Peshawar, West Pakistan . . . . . | Mar. 11-18                  |
| ILO Inland Transport Committee: 6th Session. . . . .                                                                                                                                      | Hamburg . . . . .                 | Mar. 11-23                  |
| International North Pacific Fisheries Commission: Standing Commission on Biology and Research.                                                                                            | Tokyo . . . . .                   | Mar. 18-23                  |
| U.N. Economic Commission for Asia and the Far East: 13th Session.                                                                                                                         | Bangkok . . . . .                 | Mar. 18-28                  |
| FAO Committee on Commodity Problems: 28th Session . . . . .                                                                                                                               | Rome . . . . .                    | Mar. 18-29                  |
| International Tin Study Group and Management Committee: 9th Meeting.                                                                                                                      | London . . . . .                  | Mar. 19-20                  |
| WMO Working Group on Networks of the Commission for Synoptic Meteorology.                                                                                                                 | DeBilt, Netherlands . . . . .     | Mar. 19-30                  |
| U.S.-U.K. Bermuda Meeting . . . . .                                                                                                                                                       | Bermuda . . . . .                 | Mar. 21-23                  |

#### In Session as of March 31, 1957

|                                                                                                       |                    |          |
|-------------------------------------------------------------------------------------------------------|--------------------|----------|
| U.N. Trusteeship Council: Standing Committee on Petitions. . . . .                                    | New York . . . . . | Feb. 18- |
| U.N. <i>Ad Hoc</i> Committee on Establishment of Special U.N. Fund for Economic Development (SUNFED). | New York . . . . . | Mar. 11- |
| ICAO Aerodromes, Air Routes, and Ground Aids Division: 6th Session.                                   | Montreal . . . . . | Mar. 12- |
| U.N. Trusteeship Council: 19th Session. . . . .                                                       | New York . . . . . | Mar. 14- |
| U.N. Disarmament Commission: Subcommittee of Five . . . . .                                           | London . . . . .   | Mar. 18- |
| U.N. ECOSOC Commission on Status of Women: 11th Session . . . . .                                     | New York . . . . . | Mar. 18- |
| ICEM Executive Committee: 7th Session . . . . .                                                       | Geneva . . . . .   | Mar. 28- |

#### Scheduled April 1-June 30, 1957

|                                                           |                    |         |
|-----------------------------------------------------------|--------------------|---------|
| FAO Cocoa Study Group: Statistical Subcommittee . . . . . | Rome . . . . .     | Apr. 1- |
| UPU Executive and Liaison Committee . . . . .             | Lausanne . . . . . | Apr. 1- |

<sup>1</sup> Prepared in the Office of International Conferences, Mar. 15, 1957. Asterisks indicate tentative dates and places. Following is a list of abbreviations: U.N., United Nations; ECOSOC, Economic and Social Council; ICAO, International Civil Aviation Organization; ECE, Economic Commission for Europe; ILO, International Labor Organization; SEATO, Southeast Asia Treaty Organization; FAO, Food and Agriculture Organization; ECAFE, Economic Commission for Asia and the Far East; WMO, World Meteorological Organization; ICEM, Intergovernmental Committee for European Migration; UPU, Universal Postal Union; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNICEF, United Nations Children's Fund; GATT, General Agreement on Tariffs and Trade; ITU, International Telecommunication Union; NATO, North Atlantic Treaty Organization; WHO, World Health Organization; UNREF, United Nations Refugee Fund; PAIGH, Pan American Institute of Geography and History; PASO, Pan American Sanitary Organization.

## Calendar of Meetings—Continued

### Scheduled April 1-June 30, 1957—Continued

|                                                                                                                                            |                                 |          |
|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|----------|
| ILO Advisory Committee on Salaried Employees and Professional Workers: 4th Session.                                                        | Geneva . . . . .                | Apr. 1-  |
| UNESCO Intergovernmental Advisory Committee on the Major Project on Mutual Appreciation of Asian and Western Cultural Values: 1st Meeting. | Paris . . . . .                 | Apr. 1-  |
| FAO European Commission for Control of Foot-and-Mouth Disease: 4th Session.                                                                | Rome . . . . .                  | Apr. 2-  |
| FAO Special Committee on Observer Status . . . . .                                                                                         | Rome . . . . .                  | Apr. 2-  |
| FAO Cocoa Study Group: Executive Committee . . . . .                                                                                       | Rome . . . . .                  | Apr. 4-  |
| ICEM Subcommittee on Coordination of Transport . . . . .                                                                                   | Geneva . . . . .                | Apr. 5-  |
| ICEM Council: 6th Session . . . . .                                                                                                        | Geneva . . . . .                | Apr. 8-  |
| U.N. Scientific Committee on the Effects of Atomic Radiation: 3d Meeting.                                                                  | Geneva . . . . .                | Apr. 8-  |
| U.N. ECOSOC Commission on Human Rights: 13th Session . . . . .                                                                             | Geneva . . . . .                | Apr. 8-  |
| U.N. ECAFE: 5th Regional Conference of Asian Statisticians . . . . .                                                                       | Bangkok . . . . .               | Apr. 8-  |
| UNICEF Executive Board and Program Committee . . . . .                                                                                     | New York . . . . .              | Apr. 8-  |
| ILO Tripartite Working Party on Wages, Hours of Work, and Manning on Board Ship.                                                           | Geneva . . . . .                | Apr. 11- |
| United States World Trade Fair . . . . .                                                                                                   | New York . . . . .              | Apr. 14- |
| U.N. Economic and Social Council: 23d Session . . . . .                                                                                    | New York . . . . .              | Apr. 16- |
| Inter-American Commission of Women: Technical Experts and Administrative Heads of Women's Labor Bureaus.                                   | México, D. F. . . . .           | Apr. 20- |
| FAO International Poplar Commission: 9th Session. . . . .                                                                                  | Paris . . . . .                 | Apr. 22- |
| International Poplar Congress . . . . .                                                                                                    | Paris . . . . .                 | Apr. 22- |
| ICAO Legal Committee: Subcommittee on Hire, Charter, and Interchange of Aircraft.                                                          | Madrid . . . . .                | Apr. 24- |
| 2d European Civil Aviation Conference . . . . .                                                                                            | Madrid . . . . .                | Apr. 24- |
| 9th ILO International Conference of Labor Statisticians . . . . .                                                                          | Geneva . . . . .                | Apr. 24- |
| U.N. ECE Steel Committee and Working Parties . . . . .                                                                                     | Geneva . . . . .                | Apr. 24- |
| Inter-American Committee of Presidential Representatives: 3d Meeting.                                                                      | Washington . . . . .            | Apr. 29- |
| ITU Administrative Council: 12th Session . . . . .                                                                                         | Geneva . . . . .                | Apr. 29- |
| U.N. ECOSOC Narcotic Drugs Commission: 12th Session . . . . .                                                                              | New York . . . . .              | Apr. 29- |
| U.N. Economic Commission for Europe: 12th Session . . . . .                                                                                | Geneva . . . . .                | Apr. 29- |
| South Pacific Commission: Conference on Review of the Commission.                                                                          | Canberra . . . . .              | Apr. 30- |
| International Commission on Irrigation and Drainage: 3d Congress . . . . .                                                                 | San Francisco . . . . .         | May 1-   |
| 10th International Cannes Film Festival . . . . .                                                                                          | Cannes . . . . .                | May 2-   |
| NATO Council: Ministerial Meeting . . . . .                                                                                                | Bonn . . . . .                  | May 2-   |
| ILO Metal Trades Committee: 6th Session . . . . .                                                                                          | Geneva . . . . .                | May 6-   |
| FAO Technical Meeting on Soil Fertility for Latin America . . . . .                                                                        | Turrialba, Costa Rica . . . . . | May 6-   |
| U.N. ECE Seminar on Industrial Statistics . . . . .                                                                                        | Athens . . . . .                | May 6-   |
| U.N. ECOSOC Social Commission: 11th Session . . . . .                                                                                      | New York . . . . .              | May 6-   |
| FAO European Forestry Commission: 9th Session . . . . .                                                                                    | Rome . . . . .                  | May 7-   |
| WHO: 10th World Health Assembly . . . . .                                                                                                  | Geneva . . . . .                | May 7-   |
| International Hydrographic Bureau: 7th Congress . . . . .                                                                                  | Monte Carlo . . . . .           | May 7-   |
| Inter-American Travel Congresses: Permanent Executive Committee.                                                                           | Washington . . . . .            | May 10-  |
| FAO Indo-Pacific Fisheries Council: 7th Session . . . . .                                                                                  | Bandung . . . . .               | May 13-  |
| U.N. ECAFE Highway Subcommittee: Seminar on Highway Safety.                                                                                | Tokyo . . . . .                 | May 13-  |
| U.N. Economic Commission for Latin America: 7th Session . . . . .                                                                          | La Paz . . . . .                | May 15-  |
| International Conference for Uses of Radar in Marine Navigation . . . . .                                                                  | Genoa . . . . .                 | May 16-  |
| International Cotton Advisory Committee: 16th Plenary Meeting . . . . .                                                                    | Istanbul . . . . .              | May 20-  |
| International Commission for Northwest Atlantic Fisheries: 7th Meeting.                                                                    | Lisbon . . . . .                | May 20-  |
| Customs Cooperation Council: 10th Session . . . . .                                                                                        | Brussels . . . . .              | May 27-  |
| WHO Executive Board: 20th Session . . . . .                                                                                                | Geneva . . . . .                | May 27-  |
| ILO Governing Body: 135th Session . . . . .                                                                                                | Geneva . . . . .                | May 27-  |
| U.N. ECE Housing Committee: 14th Session and Working Parties . . . . .                                                                     | Geneva . . . . .                | May 27-  |
| UNREF Standing Program Subcommittee: 5th Meeting. . . . .                                                                                  | Geneva . . . . .                | May 27-  |
| UNESCO Executive Board: 48th Session . . . . .                                                                                             | Paris . . . . .                 | May 27-  |
| PAIGH Directing Council: 2d Meeting . . . . .                                                                                              | Rio de Janeiro . . . . .        | May*     |
| Inter-American Commission of Women: 12th General Assembly . . . . .                                                                        | Washington . . . . .            | June 1-  |
| FAO Council: 26th Session . . . . .                                                                                                        | Madrid . . . . .                | June 3-  |
| UNREF Executive Committee: 5th Session . . . . .                                                                                           | Geneva . . . . .                | June 3-  |
| U.N. ECAFE Working Party on Small-Scale Industries and Handicraft Marketing: 5th Meeting.                                                  | India . . . . .                 | June 3-  |
| World Power Conference: International Executive Council . . . . .                                                                          | Belgrade . . . . .              | June 4-  |
| World Power Conference: Sectional Meeting . . . . .                                                                                        | Belgrade . . . . .              | June 5-  |
| International Labor Conference: 40th Session . . . . .                                                                                     | Geneva . . . . .                | June 5-  |
| FAO Asia-Pacific Forestry Commission: 4th Session . . . . .                                                                                | Bandung . . . . .               | June 8-  |



Scheduled April 1-June 30, 1957—Continued

|                                                                                          |                      |           |
|------------------------------------------------------------------------------------------|----------------------|-----------|
| GATT Balance-of-Payments Consultations . . . . .                                         | Geneva . . . . .     | June 10-  |
| U.N. ECE Inland Transport Committee: Working Party on Trans-<br>port of Dangerous Goods. | Geneva . . . . .     | June 11-  |
| PASO Executive Committee: 31st Meeting . . . . .                                         | Washington . . . . . | June 12-  |
| ICAO Panel on Future Requirements for Turbo-jet Aircraft: 3d<br>Meeting.                 | Montreal . . . . .   | June 17-  |
| WMO Commission for Aerology: 2d Session . . . . .                                        | Paris . . . . .      | June 18-  |
| WMO Commission for Instruments and Methods of Observation:<br>2d Session.                | Paris . . . . .      | June 18-  |
| 7th International Film Festival . . . . .                                                | Berlin . . . . .     | June 21-  |
| FAO Technical Advisory Committee on Desert Locust Control: 7th<br>Meeting.               | Morocco* . . . . .   | June 23*- |
| International Rubber Study Group: 13th Meeting . . . . .                                 | Djakarta . . . . .   | June 24-  |
| International Council for the Exploration of the Sea: 45th Meeting .                     | London . . . . .     | June 24-  |
| International Whaling Commission: 9th Meeting . . . . .                                  | London . . . . .     | June 24-  |
| U.N. ECAFE Iron and Steel Subcommittee: 7th Session . . . . .                            | Bangkok . . . . .    | June 24-  |
| FAO Desert Locust Control Committee: 4th Session . . . . .                               | Morocco* . . . . .   | June 25*- |
| U.N. ECOSOC Coordination Committee . . . . .                                             | Geneva . . . . .     | June 25-  |
| International Wheat Council: 22d Session . . . . .                                       | Loudon . . . . .     | June      |

Compliance With U.N. Resolution Calling for Withdrawal of Israel From Egyptian Territory

*Following is the text of a statement made by Henry Cabot Lodge, U.S. Representative to the General Assembly, on March 8, together with a statement made by Secretary-General Dag Hammarskjöld in the plenary session of February 22 and a report by the Secretary-General on March 8.*

STATEMENT BY AMBASSADOR LODGE, MARCH 8  
U.S. delegation press release 2640

Today marks compliance with our first resolution of February 2<sup>1</sup> for the withdrawal of Israel from Egypt. The way now lies open to carry out our second resolution, which aims at achieving peaceful conditions after withdrawal.

This is an event in the history of the United Nations which is full of deep meaning for all people in the world—wherever they may be—who wish to be saved from the scourge of war.

It is an event which reflects credit on Israel, a nation which heeded the call of world opinion.

It is an event which reflects credit on those members, notably Egypt, who by patience and forbear-

ance demonstrated their steadfast faith in the United Nations.

It is an event which reflects credit on the skill, wisdom, and devotion to duty of the Secretary-General.

It is an event which proves again the value of the United Nations as an organization which plays an indispensable part in causing the world, as in this case, to take a turn away from war.

The United States welcomes the report of the Secretary-General and pledges its support to assure that what has now been achieved will be used as a foundation on which to build a good future for the people of the Near East free from the danger of conflict.

As is fitting, the report dwells on the constructive purposes of our second resolution of February 2.<sup>1</sup> This resolution stated that after full withdrawal of Israel from the Sharm el-Sheikh and Gaza areas the scrupulous maintenance of the Armistice Agreement required the placing of UNEF on the Egyptian-Israeli demarcation line and the implementation of other measures proposed in the Secretary-General's report of 24 January <sup>2</sup> to

<sup>1</sup> BULLETIN of Feb. 25, 1957, p. 327. <sup>2</sup> *Ibid.*, Feb. 18, 1957, p. 275.

assist in achieving a situation conducive to the maintenance of peaceful conditions in the area.

The steady worsening of conditions along the armistice line which culminated in the hostilities of last October demonstrated how fear of aggression on one side begets fear on the other. Out of this fear comes the danger for the future.

It was to head off this danger that the Assembly endorsed the deployment of the United Nations Emergency Force on the armistice line and at the Straits of Tiran. It was with this danger in mind that I pointed out on January 28<sup>3</sup> that the deployment of the United Nations Emergency Force must be such as to assure a separation of the armed forces of both sides as required by the Armistice Agreement.

Now that we approach this new stage in the deployment of the UNEF, the United States appeals to all concerned to cooperate in giving effect to the practical and sensible measures which are set out in the reports by the Secretary-General of January 24, February 22, and March 8, and which are called for by the second resolution of February 2. The United States in particular is convinced that the continued deployment of the United Nations Emergency Force in accordance with the second resolution of February 2 affords the best hope of allaying the fear which has animated both sides and, thus, of establishing a basis for further progress toward peace and tranquillity in that part of the world.

We have made a wonderful beginning. We have nursed the patient through several crises. Now let us give him a chance to put some flesh on his bones, and build up an immunity to future illness.

## STATEMENT BY SECRETARY-GENERAL, FEBRUARY 22

United Nations press release dated February 22

On February 11th I submitted the report (A/3527),<sup>4</sup> in pursuance of the resolution of the General Assembly of 2 February (A/Res/461). Events since then have not called for a further report and I have presented none.

It is well-known, however, that discussions have been carried on outside this house in the continuing resolve to attain the goals defined in the several resolutions of the

General Assembly. I have maintained close contact with these activities and have been kept well-informed on them. These serious efforts to break through the unfortunate impasse and to unlock the door to constructive endeavour are deserving of warm appreciation.

Insofar as United Nations activities and positions are concerned, developments in the interim have given no reason to revise any of the substance of the previous report. However, in the light of some subsequent discussions in which I have engaged, I may make the following statement in the nature of a supplement to that report.

"The Secretary-General states with confidence that it is the desire of the Government of Egypt that the take-over of Gaza from the military and civilian control of Israel—which, as has been the case, in the first instance would be exclusively by UNEF—will be orderly and safe, as it has been elsewhere. It may be added with equal confidence that the Government of Egypt, recognizing the present special problems and complexities of the Gaza area and the long-standing major responsibility of the United Nations there for the assistance of the Arab refugees, and having in mind also the objectives and obligations of the Armistice Agreement, has the willingness and readiness to make special and helpful arrangements with the United Nations and some of its auxiliary bodies, such as UNRWA and UNEF. For example, the arrangement for the use of UNEF in the area should ensure its deployment on the Armistice line at the Gaza Strip and the effective interposition of the Force between the armed forces of Egypt and Israel. Similarly, the assistance of the United Nations and its appropriate auxiliary bodies would be enrolled toward putting a definite end to all incursions and raids across the border from either side. Furthermore, with reference to the period of transition, such other arrangements with the United Nations may be made as will contribute towards safeguarding life and property in the area by providing efficient and effective police protection; as will guarantee good civilian administration; as will assure maximum assistance to the U.N. refugee programme; and as will protect and foster the economic development of the territory and its people."

## REPORT OF SECRETARY-GENERAL, MARCH 8

U.N. doc. A/3568

### I

1. The General Assembly, on 2 February 1957, adopted a resolution (A/Res/460) in which, after recalling its previous resolutions on the same subject, the Assembly called upon Israel to complete its withdrawal behind the Armistice Demarcation Line without further delay.

2. The Foreign Minister of Israel, on 1 March, announced in the General Assembly the decision of the Government of Israel to act in compliance with the request in this resolution. The same day the Secretary-General instructed the Commander of the United Nations Emergency Force, as a matter of the utmost urgency, to arrange for a meeting with the Israel Commander-in-Chief, in order to agree with him on arrangements for the com-

<sup>3</sup> *Ibid.*, p. 270.

<sup>4</sup> *Ibid.*, Mar. 11, 1957, p. 394.



plete and unconditional withdrawal of Israel in accordance with the decision of the General Assembly.

3. On 4 March, the Foreign Minister of Israel confirmed to the General Assembly the Government of Israel's declaration of 1 March. The same day the Commander of the United Nations Emergency Force met at Lydda with the Israel Commander-in-Chief. Technical arrangements were agreed upon for the withdrawal of Israel and the entry of the United Nations Emergency Force in the Gaza Strip during the hours of curfew on the night of 6/7 March. Arrangements were made for a similar take-over of the Sharm-al-Shaik area on 8 March.

4. On 6 March, General Burns reported that the "United Nations Emergency Force troops are now in position in all camps and centres of population in Gaza Strip". At that stage the operation had been carried out according to plan and without incidents. At 0400 GMT 7 March all Israelis had withdrawn from the Gaza Strip with the exception of an Israel troop unit at Rafah camp. By agreement, that last Israel element was to be withdrawn by 1600 GMT 8 March. Full withdrawal from the Sharm-al-Shaik area would be effected by the same time.

5. On 7 March, the Commander of the United Nations Emergency Force notified the population of Gaza that "the United Nations Emergency Force, acting in fulfilment of its functions as determined by the General Assembly of the United Nations with the consent of the Government of Egypt, is being deployed in this area for the purpose of maintaining quiet during and after the withdrawal of the Israeli defense forces. Until further arrangements are made, the United Nations Emergency Force has assumed responsibility for civil affairs in the Gaza Strip. . . . UNRWA will continue to carry out its responsibility and will continue to provide food and other services as in the past. UNEF and UNRWA will do their best to relieve pressing needs which may arise from the present situation".

6. The Secretary-General, thus, is now in a position to report full compliance with General Assembly resolution I of 2 February 1957 (A/Res/460).

## II

7. On 2 February, the General Assembly adopted a second resolution (A/Res/461) "recognizing that withdrawal by Israel must be followed by action which would assure progress towards the creation of peaceful conditions" in the area. Under the terms of this resolution, the completion of withdrawal puts its operative paragraphs into full effect.

8. In the resolution on action to follow a withdrawal, the General Assembly requested the Secretary-General, in consultation with the parties concerned, to carry out measures referred to in the resolution and to report as appropriate to the General Assembly. The Secretary-General will now devote his attention to this task. The stand of the General Assembly in the resolution is to be interpreted in the light of the report of the Secretary-General of 24 January (A/3512), which the Assembly noted "with appreciation".

9. Specifically, the General Assembly called upon the Governments of Egypt and Israel scrupulously to observe the provisions of the General Armistice Agreement be-

tween Egypt and Israel of 24 February 1949 and stated that it considered that, after full withdrawal of Israel from the Sharm-al-Shaik and Gaza areas, the scrupulous maintenance of the Armistice Agreement "requires a placing of the United Nations Emergency Force on the Egypt-Israel Armistice Demarcation Line".

10. The Assembly further stated that it considered that the maintenance of the Armistice Agreement requires the implementation of "other measures as proposed in the Secretary-General's report", with due regard to the considerations set out therein, with a view to assist in achieving situations conducive to the maintenance of peaceful conditions in the area. This statement, as it was formulated, read together with the request to the Secretary-General to consult with the parties, indicates that the General Assembly wished to leave the choice of these "other measures" to be decided in the light of further study and consultations.

## III

11. Arrangements made by the Commander of the United Nations Emergency Force provided for an initial take-over in Gaza by the Force. This was in accordance with the statement of the Secretary-General to the General Assembly on 22 February, that "the take-over of Gaza from the military and civilian control of Israel . . . in the first instance would be exclusively by UNEF". Instructions from the Secretary-General to the Commander of the United Nations Emergency Force reflected the position thus reported to the General Assembly. The notification by the Commander quoted in section I above indicates the basis for this initial take-over as well as its extent. The same statement indicates the importance of the role that UNRWA can play in the initial take-over.

12. In accordance with decisions of the General Assembly, UNRWA has important functions in relation to the refugees in Gaza, which constitute the major part of the population of the area. Because of these normal functions and of the additional contributions which that agency can make in aiding the non-refugee population, UNRWA is of essential assistance to the United Nations Emergency Force in its present operation. Therefore, and on the assumption that this course is in accordance with the General Assembly's wishes, the Director of UNRWA has agreed with the Secretary-General in this phase of the development to extend its immediate assistance beyond its normal functions. This would be done in fields which are related to those functions and in which a sharing of responsibilities devolving on the United Nations Emergency Force at the initial take-over seems indicated. The Secretary-General wishes to express his appreciation for this assistance, of which he feels he can avail himself within the terms established for the United Nations Emergency Force as they have to be applied in the present phase of its activities. To the extent that UNRWA in this context is incurring additional costs, the reason for which is within the sphere of the responsibilities of the United Nations Emergency Force, a question of compensation will arise for later consideration.

13. The United Nations may also incur other additional costs than those caused by the assistance rendered by

UNRWA. The Emergency Force may be in need of expert advice that can properly be provided by the Secretariat. If members of the Secretariat are taken over by the United Nations Emergency Force on a secondment basis, the cost obviously will be finally provided for as UNEF expenditures under the relevant resolutions of the General Assembly. In other cases costs should be carried by the Secretariat in the normal way.

14. The Secretary-General finally wishes to inform the General Assembly that arrangements will be made through which, without any change of the legal structure or status of the United Nations Truce Supervision Organization, functions of UNTSO in the Gaza area will be placed under the operational control of the Force. A close co-operation between UNTSO and UNEF will be maintained.

## U.S. Delegations to International Conferences

### Inland Transport Committee of ILO

The Department of State announced on March 11 (press release 129) that the United States would be represented by the following tripartite delegation at the sixth session of the Inland Transport Committee of the International Labor Organization, convening at Hamburg, Federal Republic of Germany, from March 11 to 23:

#### REPRESENTING THE GOVERNMENT OF THE UNITED STATES

##### *Delegates*

Kenneth H. Tuggle, Commissioner, Interstate Commerce Commission

Leon Greenberg, Chief, Division of Productivity and Technological Development, Bureau of Labor Statistics, Department of Labor

##### *Adviser*

George Tobias, Labor Attaché, American Consulate General, Geneva, Switzerland

#### REPRESENTING THE EMPLOYERS OF THE UNITED STATES

##### *Delegate*

Ernest W. Harlan, Bruce Motor Freight, Des Moines, Iowa

#### REPRESENTING THE WORKERS OF THE UNITED STATES

##### *Delegates*

Rudolph Faupl, International Representative, International Association of Machinists, AFL-CIO, Washington, D. C.

Harold Ulrich, General Chairman, Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, Boston, Mass.

The Inland Transport Committee, one of eight industrial committees established by the ILO in 1945, is composed of government, worker, and employer representatives from specific industries.

These committees examine labor problems in their particular industries.

The agenda of the sixth session of the Inland Transport Committee, as fixed by the Governing Body at its 127th session (Rome, November 1954), includes reports concerning labor inspection in road transport; methods of improving organization of work and output in ports; and a general report, dealing particularly with (a) action taken in the various countries in light of the conclusions adopted at previous sessions of the Committee; (b) steps taken by the International Labor Office to follow up the studies and inquiries proposed by the Committee; and (c) recent events and developments in inland transport.

The 26 countries which have been invited to send tripartite delegates to this meeting are: Argentina, Australia, Austria, Belgium, Brazil, Canada, Colombia, Denmark, Egypt, Finland, France, the Federal Republic of Germany, Greece, India, Italy, Japan, Mexico, the Netherlands, Norway, Pakistan, Portugal, Sweden, Switzerland, Turkey, the United Kingdom, and the United States.

### UNESCO Executive Board

The Department of State announced on March 11 (press release 130) the United States delegation to the 47th session of the Executive Board of the United Nations Educational, Scientific and Cultural Organization (UNESCO), which will meet at Paris on March 18. Prior to the convening of this session, an *ad hoc* committee will meet from March 11 to 15.

Athelstan F. Spilhaus, Dean of the Institute of Technology, University of Minnesota, is the U.S. representative on the Executive Board of UNESCO. Dr. Spilhaus will be assisted by the following advisers: Henry J. Kellermann, Counsel for UNESCO Affairs, American Embassy, Paris; Guy Lee, UNESCO Relations Staff, Department of State; and Byron Snyder, Office of International Administration, Department of State.

In addition to considering the report of the *ad hoc* committee on the reorganization of the Executive Board and the schedule of meetings for the next 2 years, the 47th session will also consider necessary readjustments in UNESCO's program and budget for 1957-58 to implement the decisions reached at the Ninth General Conference held at New Delhi in November 1956.

It is expected that the Executive Board's 47th session will adjourn on March 28.



## **U.S. Signs Agreement With France on Defense Use of Technology**

Press release 135 dated March 12

The Department of State announced on March 12 the signing of an agreement with France to facilitate the exchange of patent rights and technical information for defense purposes. The agreement was signed at Paris on March 12, 1957, by Christian Pineau, French Minister of Foreign Affairs, and Charles W. Yost, U.S. Chargé d'Affaires. The agreement with France entered into force on the date of signature.

The agreement is expected to foster the exchange of technology for defense purposes between the two Governments and between the private industries of the two countries. Thus, it should be of reciprocal benefit in providing for national defense and in contributing to the mutual defense of the North Atlantic Treaty area.

The agreement with France is the latest to be signed of a series negotiated with the NATO countries and other countries with which the United States has mutual defense ties. Similar agreements have been signed with Italy, the United Kingdom, Belgium, Norway, the Netherlands, Greece, the Federal Republic of Germany, Turkey, and Japan.

These agreements recognize that, whenever practicable, privately owned technology should generally be exchanged through commercial agreements between owners and users. They also note that rights of private owners of patents and technical information should be fully recognized and protected in accordance with laws applicable to such rights. The agreements are also intended to assure fair treatment of private owners when they deal directly with a foreign government. In addition, the agreements provide for the protection of technical information communicated through government channels and for the establishment of arrangements by which owners of patentable inventions placed under secrecy by one government may obtain comparable protection in the other country. The agreements further provide that, as a general rule, when government-owned inven-

tions are interchanged for defense purposes, this interchange will take place on a royalty-free basis.

Each of the agreements provides for the establishment of a Technical Property Committee to be composed of a representative of each government. These committees are charged with general responsibility for considering and making recommendations on any matters relating to the agreements brought before them by either government, either on their own behalf or on behalf of their nationals. One of the specific functions of the committee is to make recommendations to the governments, either in particular cases or in general, concerning disparities in their laws affecting the compensation of owners of patents and technical information.

The U.S. representative to the Technical Property Committees in Europe is assigned to the staff of the Defense Adviser, United States Mission to the North Atlantic Treaty Organization and European Regional Organizations (Usro), 2 Rue St. Florentin, Paris.

Policy guidance for the U.S. representatives on the Technical Property Committees is provided by the Interagency Technical Property Committee for Defense, which is chaired by the Department of Defense and includes representatives of the Departments of State, Justice, and Commerce, the International Cooperation Administration, and the Government Patents Board. This committee is assisted by an industry advisory group representing major sectors of American industry concerned with defense production.

## **Educational Exchange Agreement With Ireland**

Press release 151 dated March 16

An educational exchange agreement was signed at Dublin on March 16 between Ireland and the United States in connection with the use of the American grant counterpart fund. The agreement was signed by Liam Cosgrave, Minister for External Affairs, on behalf of Ireland, and William Howard Taft III, American Ambassador, on behalf of the United States.

The agreement provides that a sum of 500,000 pounds sterling out of the grant counterpart fund (which totals approximately 6,142,000 pounds sterling) is to be allotted, in the words of the agreement, "to promote further mutual under-

standing between the peoples of Ireland and the United States of America by wider exchange of knowledge through educational contacts."

The terms of the agreement provide that approximately 25,000 pounds sterling shall be expended annually for the purpose of financing studies, research, instruction, teaching, lecturing, and other educational activities on the part of Irish citizens in American schools, universities, and other institutions of higher learning on the one hand, and of American citizens in like educational institutions in Ireland on the other. The funds available under the agreement may be used to finance transportation, tuition, maintenance, and other expenses for such educational activities.

The scholarship exchange program will be administered by a joint Irish-American board in Dublin. The agreement will come into force when the Government of Ireland has notified the U.S. Government that the necessary legislative steps have been taken to implement the agreement. Further details as to the operation of the agreement, and as to the manner in which applications for scholarship benefits under it are to be applied for, will be announced at a later date.

## Current Actions

### MULTILATERAL

#### Aviation

Agreement on joint financing of certain air navigation services in Greenland and the Faroe Islands. Done at Geneva September 25, 1956.<sup>1</sup>

*Signatures:* Sweden, November 15, 1956; Belgium, Canada, Federal Republic of Germany, Israel, and Italy, November 28, 1956.

*Acceptances deposited:* Canada, January 18, 1957; Iceland, February 18, 1957.

Agreement on joint financing of certain air navigation services in Iceland. Done at Geneva September 25, 1956.<sup>1</sup>

*Signatures:* Sweden, November 15, 1956; Belgium, Canada, Federal Republic of Germany, Israel, and Italy, November 28, 1956.

*Acceptances deposited:* Canada, January 18, 1957; Iceland, February 18, 1957.

#### Copyright

Universal copyright convention. Done at Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.

*Accession deposited:* Ecuador, March 5, 1957.

Protocol 1 concerning application of the convention to the works of stateless persons and refugees. Done at

Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.

*Accession deposited:* Ecuador, March 5, 1957.

Protocol 2 concerning application of the convention to the works of certain international organizations. Done at Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.

*Accession deposited:* Ecuador, March 5, 1957.

#### Slave Trade

Convention to suppress the slave trade and slavery.

Signed at Geneva September 25, 1926. Entered into force March 9, 1927. 46 Stat. 2183.

*Accession deposited:* Libya, February 14, 1957.

#### Trade and Commerce

International convention to facilitate the importation of commercial samples and advertising material. Dated at Geneva November 7, 1952. Entered into force November 20, 1955.<sup>2</sup>

*Notification by United Kingdom of extension to:* Aden, Barbados, British Guiana, British Honduras, Cyprus, Falkland Islands, Fiji, Gambia, Gibraltar, Gold Coast, Hong Kong, Jamaica, Kenya<sup>3</sup>, Leeward Islands (Antigua, Montserrat, St. Christopher, Nevis, Anguilla, and British Virgin Islands), Federation of Malaya, Malta,<sup>3</sup> Mauritius, North Borneo, Federation of Nigeria, St. Helena, Sarawak, Seychelles, Sierra Leone, Singapore, Somaliland Protectorate, Tanganyika,<sup>3</sup> Trinidad and Tobago,<sup>3</sup> Uganda,<sup>3</sup> the Windward Islands (Tonga, Dominica, Grenada, St. Lucia, and St. Vincent), and Zanzibar, February 5, 1957.

### BILATERAL

#### El Salvador

Treaty of friendship, commerce and consular rights.

Signed at San Salvador February 22, 1926. Entered into force September 5, 1930. 46 Stat. 2817.

*Notification by the United States of elimination of article VI:* February 8, 1957.

#### Mexico

Air transport agreement. Effected by exchange of notes at México March 7, 1957. Enters into force June 5, 1957.

#### Sweden

Agreement amending the agreement of January 18, 1956 (TIAS 3477) for cooperation concerning civil uses of atomic energy. Signed at Washington August 3, 1956.

*Entered into force:* March 12, 1957 (date on which each Government received from the other written notification that it has complied with statutory and constitutional requirements).

#### Thailand

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454, 455; 69 Stat. 44, 721). Signed at Bangkok March 4, 1957. Entered into force March 4, 1957.

#### United Kingdom

Agreement amending sections 5 and 6 of the financial agreement of December 6, 1945 (TIAS 1545) by providing for the conditions under which annual installments may be deferred. Signed at Washington March 6, 1957. Enters into force when each Government notifies the other that it has approved the agreement.

<sup>2</sup> Not in force for the United States.

<sup>3</sup> With reservation.

<sup>1</sup> Not in force.



## Foreign Service Examination

Press release 125 dated March 8

The Department of State announced on March 8 that the semiannual Foreign Service officer examination will be given on June 24, 1957, at more than 65 centers throughout the United States. This examination is open to all who meet the age and citizenship requirements outlined below.

Officials of the Department of State estimate that several hundred new Foreign Service officers will be required during the next year to fill positions overseas and in Washington, D.C. After completing 3 months of training at the Foreign Service Institute in Washington, some of the new officers will take up duties at the 270 American embassies, legations, and consulates around the world. At these posts, which range in size from the large missions such as Paris and London to the one-man posts such as Perth, Australia, the new officer may expect to do a variety of tasks, including administrative work; political, economic, commercial, and labor reporting; consular duties; and assisting and protecting Americans and protecting U.S. property abroad. Other new officers will be assigned to the Department's headquarters at Washington, where they will engage in research or other substantive work, or in the many administrative tasks which are essential to the day-to-day conduct of foreign affairs.

To explain fully these opportunities in the Foreign Service which await the qualified young men and women of the United States, Foreign Service officers will visit a large number of colleges and universities this spring. In order to make known the diversified needs of the Department of State and Foreign Service, these officers will talk not only with promising students of history, political science, and international relations but also with those who are specializing in economics, foreign languages, and business and public administration.

Those successful in the 1-day written examination, which tests the candidate's facility in English expression, general ability, and background, as well as his proficiency in a modern foreign

language, will subsequently be given an oral examination by panels which will meet in regional centers throughout the United States. Those candidates who pass the oral test will then be given a physical examination and a security investigation. Upon completion of these phases, the candidate will be nominated by the President as a Foreign Service officer of class 8, vice consul, and secretary in the diplomatic service.

To be eligible to take the examination, candidates must be at least 20 years of age and under 31, as of May 1, 1957, and must also be American citizens of at least 9 years' standing. Although a candidate's spouse need not be a citizen on the date of the examination, citizenship must have been obtained prior to the date of the officer's appointment.

Starting salaries for successful candidates range from \$4,750 to \$5,350 per year, depending upon the age, experience, and family status of the individual. In addition, insurance, medical, educational, and retirement benefits are granted, as well as annual and sick leave.

Application forms may be obtained by writing to the Board of Examiners for the Foreign Service, Department of State, Washington 25, D. C. The closing date for filing the application is May 1, 1957.

## Confirmations

The Senate on March 14 confirmed David K. E. Bruce to be Ambassador to the Federal Republic of Germany. (For biographic details, see press release 89 dated February 25.)

The Senate on March 14 confirmed C. Douglas Dillon to be a Deputy Under Secretary of State. (For biographic details, see press release 22 dated January 14.)

The Senate on March 14 confirmed Elbridge Durbrow to be Ambassador to Viet-Nam. (For biographic details, see press release 104 dated March 1.)

The Senate on March 14 confirmed Amory Houghton to be Ambassador to France. (For biographic details, see press release 88 dated February 25.)

The Senate on March 14 confirmed Thorsten V. Kaljarvi to be an Assistant Secretary of State. (For biographic details, see press release 98 dated February 28.)

The Senate on March 14 confirmed G. Frederick Reinhardt to be Counselor of the Department of State. (For biographic details, see press release 56 dated February 7.)

The Senate on March 14 confirmed William J. Sebald to be Ambassador to Australia. (For biographic details, see press release 90 dated February 25.)

## Resignations

Herman Phleger as Legal Adviser, effective about April 1. (For text of Mr. Phleger's letter to the President and the President's reply, see White House press release dated March 13.)

## PUBLICATIONS

## Foreign Relations Volume

Press release 107 dated March 4

The Department of State on March 16 released *Foreign Relations of the United States, 1939, Volume II, General, The British Commonwealth, and Europe*. All the other volumes of the five for 1939 have previously been published except *Volume V, The American Republics*, which is in process of preparation.

The first 212 pages of this volume contain papers on various general subjects: Antarctic claims and exploration, assistance to refugees, fisheries off the coast of Alaska, and a number of technical and economic problems.

Documentation on relations with the British Commonwealth (pages 213-364) includes sections on the United Kingdom, Australia, Canada, and India. Problems of relations between the United States as a neutral and the British as belligerents are covered, as well as other usual matters of diplomacy. Among the war subjects treated is the sinking of the S. S. *Athenia* with loss of American lives. It was only after the war that it was fully established that this was an act of a German submarine.

The remaining 534 pages of documentation cover relations with individual continental European countries. The Soviet Union is omitted, since the record for that country has already been published in *Foreign Relations of the United States, The Soviet Union, 1933-1939*. As would be expected for a year in which the general European war began, subjects of diplomacy included normal peacetime diplomatic relations as well as subjects connected with the crises leading to war and into the war itself. While the coming of the war is primarily treated in volume I, this volume contains the record on the absorption of Albania by Italy, problems arising from the annexation of Austria by Germany, and the Spanish Civil War.

In the section on Italy are recorded suggestions by President Roosevelt regarding the opportunity for Mussolini to contribute to the maintenance of peace. The appointment of Myron C. Taylor as the President's personal representative to Pope Pius XII is documented in a section on the Vatican.

Copies of volume II (vii, 911 pp.) may be obtained from the Government Printing Office, Washington 25, D.C., for \$4 each.

## Check List of Department of State Press Releases: March 11-17

Releases may be obtained from the News Division, Department of State, Washington 25, D. C.

Press releases issued prior to March 11 which appear in this issue of the BULLETIN are Nos. 107 of March 4 and 125 of March 8.

| No.  | Date | Subject                                                                      |
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| 127  | 3/11 | Haiti credentials (rewrite).                                                 |
| 128  | 3/11 | Dulles: SEATO Council, March 11.                                             |
| 129  | 3/11 | Delegation to ILO Inland Transport Committee (rewrite).                      |
| 130  | 3/11 | Delegation to UNESCO Executive Board (rewrite).                              |
| 131  | 3/11 | U.S. reply to Soviet note on Middle East.                                    |
| 132  | 3/11 | Ambassador Richards: departure statement.                                    |
| 133  | 3/12 | Chile credentials (rewrite).                                                 |
| *134 | 3/12 | Herter: death of Admiral Byrd.                                               |
| 135  | 3/12 | U.S.-French agreement on defense use of technology.                          |
| 136  | 3/12 | Visit of German Minister for Atomic Affairs.                                 |
| *137 | 3/12 | Statement on accident involving Yugoslav U.N. representative.                |
| 138  | 3/13 | Dulles: SEATO Council, March 12.                                             |
| 139  | 3/13 | Delegation to Disarmament Subcommittee meetings.                             |
| 140  | 3/13 | Dulles: SEATO Council, March 13.                                             |
| 141  | 3/13 | SEATO communique.                                                            |
| 142  | 3/13 | Statement on Pan American games.                                             |
| †143 | 3/13 | Lightner: statement on amendments to Smith-Mundt Act.                        |
| 144  | 3/14 | Dulles: press conference, Canberra, March 13.                                |
| 145  | 3/14 | Murphy: "The U.S. Looks at the Middle East."                                 |
| *146 | 3/14 | Folger nominated Ambassador to Belgium.                                      |
| †147 | 3/15 | Kalljarvi: statement on amending Anglo-American financial agreement of 1945. |
| *148 | 3/15 | Christie retirement.                                                         |
| 149  | 3/15 | Working Group on German reunification completes report.                      |
| †150 | 3/16 | U.S. note to Dominican Government on disappearance of Gerald Murphy.         |
| 151  | 3/16 | Educational exchange agreement with Ireland.                                 |
| 152  | 3/16 | Announcement on Canadian Ambassador to Egypt.                                |

\*Not printed.

†Held for a later issue of the BULLETIN.



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Foreign Relations of the United States

The *basic source* of information on  
U. S. diplomatic history

1939, Volume II

General, The British Commonwealth, and Europe

The first 212 pages of this volume contain papers on various general subjects: Antarctic claims and exploration, assistance to refugees, fisheries off the coast of Alaska, and a number of technical economic problems.

Documentation on relations with the British Commonwealth (pp. 213-364) includes sections on the United Kingdom, Australia, Canada, and India. Problems of relations between the United States as a neutral and the British as belligerents are covered, as well as other usual matters of diplomacy. Among the war subjects treated is the sinking of the S.S. *Athenia* with loss of American lives. It was only after the war that it was fully established that this was an act of a German submarine.

The remaining 534 pages of documentation cover relations with individual continental European countries. The Soviet Union is omitted, since the record for that country has already been published in *Foreign Relations of the United States, The Soviet Union, 1933-1939*. As would be expected for a year in which the general European war began, subjects of diplomacy included normal peacetime diplomatic relations as well as subjects connected with the crises leading to war and into the war itself. While the coming of the war is primarily treated in volume I, this volume contains the record on the absorption of Albania by Italy, problems arising from the annexation of Austria by Germany, and the Spanish Civil War. In the section on Italy are recorded suggestions by President Roosevelt regarding the opportunity for Mussolini to contribute to the maintenance of peace. The appointment of Myron C. Taylor as the President's personal representative to Pope Pius XII is documented in a section on the Vatican.

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# Bulletin

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# THE DEPARTMENT OF STATE

# Bulletin

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APR 2 1957

VOL. XXXVI, No. 928 • PUBLICATION 6473

April 8, 1957

For sale by the Superintendent of Documents  
U.S. Government Printing Office  
Washington 25, D.C.

PRICE:  
52 issues, domestic \$7.50, foreign \$10.25  
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 19, 1955).

**Note:** Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated.

*The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.*

*Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.*



# The United Nations and Public Understanding

by Francis O. Wilcox

*Assistant Secretary for International Organization Affairs*<sup>1</sup>

I am glad to have the opportunity to discuss some aspects of critical issues before the United Nations. The intense glare of publicity that has attended the negotiations on Hungary and on the Middle East has not always been illuminating. It has at times highlighted the unessential, even the nonexistent, and at other times cast into deep shadow the main lines of policy and action. I should like to try to set in focus the role of the United States and the United Nations in dealing with world problems, especially aggression and threats to the peace.

Set in simple terms, it is United States policy to support the United Nations and to work through it to establish and maintain peace and well-being among nations. We believe it holds the best hope for the security and well-being of the American people.

We attempt to conduct our relations with other nations in conformity with the purposes and principles of the United Nations Charter. We avoid the use of force as a means of settling disputes between ourselves and other states. If a problem arises which properly belongs in the United Nations, we use our influence to bring it there. If, in our opinion, it is not a United Nations matter, we urge its settlement by other means.

The United Nations is a political organization which has its proper uses and its limitations. It is not a remedy for all the world's ills. Misunderstanding on this score is, I think, the basis of

most criticism of both the United States role in the United Nations and the role of the United Nations when attempting to deal with world crises.

## Limitations of the United Nations

This past year has been a year of grave tests for the United Nations and a time of peril for world peace. The situations that arose in Egypt and in Hungary provided both the peril to mankind and the tests for the United Nations. These issues have in common the fact that military force was used by one nation against another. This is the ultimate issue the United Nations was designed to meet and solve. The degree of success achieved by the United Nations in restoring peace with justice is a gage of its capabilities and its limitations as a peace-enforcing institution. Even more important, it is a measure of the extent to which member states will permit it to perform its peacemaking functions.

The criticism has been leveled at the United Nations that it has proved weak and ineffective. This was charged not only in the case of Hungary, because of the Assembly's inability to get the Soviet Union to withdraw its forces, but also in the Middle East when compliance with the recommendations of the General Assembly lagged.

We must face the fact that, with great-power disunity reflected in the Security Council, the United Nations is handicapped in preventing breaches of the peace and bringing about restoration of peace. The role of the General Assembly is largely one of discussion and recommendation.

This does not mean, however, that the United Nations is without power to influence the conduct

<sup>1</sup> Address made before the National Council of Jewish Women at Washington, D.C., on Mar. 19 (press release 160).

of nations. In some ways it may be likened to the role of the policeman in a community. In a well-ordered community he is a symbol of law and order, an arbiter, created by the community for its own protection. Called in on a dispute, he is not set upon by the mob. He is *permitted* to exercise a power which he does not, in himself, possess. But this means that the community must be back of him.

The world, unfortunately, is not yet wholly made up of such communities. The General Assembly must still play a limited role based largely on the constructive power of world public opinion. This state of affairs has not been fully appreciated in the two great issues with which the United Nations is still seized.

The United States, because of the leading role it has played in this General Assembly, has shared to a considerable degree both the public approval of the United Nations successes and the criticisms of its failures.

In this connection, may I remind you that the United Nations can only do what its members want and permit it to do. We should not make the mistake of blaming the organization for the doubts, the uncertainties, and shortcomings displayed by its members.

### **The Crises in Egypt and Hungary**

The problems presented to the United Nations by the crises in Egypt and Hungary are well known. There was a fundamental difference in the nature of these problems, however. In Hungary Soviet troops, ostensibly there to protect Hungarian territory from outside aggression, turned their guns inward against the defenseless Hungarian people. In Egypt, on the other hand, the clash was between the armed forces of the states involved.

Moreover, the Israeli attack occurred after a long series of serious provocations and violations of the Armistice Agreement. There was no such conceivable excuse in the case of the Soviet use of armed force against Hungary.

Events so turned out that the United States found itself taking the lead in United Nations action in the case of both Egypt and Hungary. In neither instance did we really have any choice of the role we were to play. Both were instances of the use of force against the territorial integrity of another state.

In the former case, it was our grievous task to bring the charge of violation of the United Nations Charter against our friends and allies; in the latter, against a government and a system which is the implacable foe of freedom.

We pride ourselves on being a nation of laws, not of men. The charter likewise provides that nations conduct their relations on the basis of international law and justice. We had to say to ourselves that, if we ever hope to get anywhere with the peaceful settlement of disputes, we must constantly take a stand against recourse to military force, as a matter of principle and in the interest of our own Nation as well as world peace. Speaking to the Nation on the Middle East situation on February 20,<sup>2</sup> President Eisenhower said: "It is an issue which can be solved if only we will apply the principles of the United Nations."

Our reason for going to the United Nations, then, was to defend this fundamental principle—not because we were pro-Arab or pro-Israel or anti-Russian or because we were for or against any state or group of states.

I think there was no lack of public support in this country for the decisions taken by the United Nations on both areas of conflict. There was, however, great public impatience with the delay in the Middle East and the flat refusal in Hungary to comply with the resolutions adopted by the General Assembly. It was quickly forgotten that in both cases what the United Nations was trying to do was dependent on the voluntary cooperation of the offending states and the states offended against. The reason for this, of course, is that only the Security Council may take decisions of a compulsory character in such instances. With the power of the Security Council weakened by the veto, the United Nations has had to fall back on the General Assembly, which has only the power to recommend.

Given these circumstances, we should be encouraged by what the United Nations has so far accomplished in the Middle East. It has shown that the conscience and the moral consensus of the vast majority of United Nations members, when the chips are down, favor peaceful settlement of disputes and adherence to commitments assumed under the charter, even when such course

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<sup>2</sup> BULLETIN of Mar. 11, 1957, p. 387.



seems to run counter to individual national interests.

In the case of Hungary, the United Nations' inability to secure compliance with its repeated recommendations has caused deep concern not only among the American people but among free peoples everywhere. In the circumstances, it has been natural for segments of public opinion to oversimplify the problem in seeking to place the blame. It has been charged that the United Nations is weak and futile; it has been urged that Hungary and the Soviet Union be thrown out of the United Nations for their defiance; it has been argued that the United Nations and the United States have applied a "double standard"—one for the weak and one for the strong.

I would like to attempt some clarification of this latter point. In his broadcast to the American people on October 31st<sup>3</sup> President Eisenhower said: "There can be no peace without law. And there can be no law if we were to invoke one code of international conduct for those who oppose us and another for our friends."

Though he was speaking about the attack on Egypt, the record shows that the United States and the United Nations consistently adhered to this principle. The standard applied to the use of force in Egypt was likewise applied in Hungary. The essential difference was that the countries directly concerned in the Middle East crisis responded to offers of United Nations assistance to bring about a peaceful settlement. In Hungary, such assistance was refused. Had the response been the reverse, there would now be no United Nations Emergency Force in the Middle East, with a deterioration of the situation there which I leave to your imagination.

### **The Hungarian Situation**

The crux of the problem of Hungary was, what can the United Nations do when one of the major powers refuses to cooperate with the General Assembly?

The answers are fairly simple but not very satisfactory. We could attempt to expel it from the United Nations. This is obviously not a practical solution since the concurrence of the permanent members of the Security Council is required.

The General Assembly could recommend certain political measures, such as breaking diplomatic relations. Unless it could persuade a large proportion of United Nations members to cooperate, this would not be a very effective sanction and in the case of the United States would cut us off from a useful diplomatic contact.

The General Assembly could also recommend economic sanctions. Again, unless a large number of nations could be persuaded to join in such sanctions, the pressure exerted would be relatively slight. This is especially the case with the U.S.S.R. and its satellites, whose total resources are great and whose economic relations with the West are already on a very small scale.

There is, of course, the possibility of attempting to introduce United Nations observers, but their entrance would require the consent of the state concerned.

The final recourse would be to recommend the use of military forces. There is not the remotest likelihood, with the dangers involved in the atomic age, that the United Nations would vote for such action.

Depressing as this picture may be, it reflects the situation in which the world finds itself today. This does not mean, however, that, because outlaws exist in the world community, the rule of law should not be applied wherever possible.

May I add a word about the so-called "double standard." This is nothing new. In effect, the double standard was built into the charter when the veto provision was inserted. This gave the great powers a privileged position in the organization.

But I think that we seriously misread recent history if we believe United Nations resolutions on Hungary failed to have a harmful impact on the Soviet Union and its satellite system. These resolutions put the Soviet Union's barbarous misdeeds squarely under the white light of world opinion. They did more to expose the diabolical nature of international communism than almost anything that has happened since World War II. Perhaps more important, the inherent weakness of a system that has to rely on force alone to impose its will on the majority was shockingly revealed.

The Secretary of State at Canberra last week said, "Throughout the satellite area, there is a revulsion against the brutal colonialism and ex-

<sup>3</sup> *Ibid.*, Nov. 12, 1956, p. 743.

ploitation of Soviet imperialism." It is my opinion that this revulsion, as a result of the facts revealed in General Assembly debate, has extended to the corners of the free world.

### **The Middle East**

There was a great deal of public controversy over the possibility of the United Nations' imposing sanctions against Israel. Now it is true that at one time it appeared that a majority of United Nations members might have tried to impose sanctions if other methods had failed to bring about Israel troop withdrawal from Egypt and the Gaza Strip. As a member of the United Nations, the United States would have had to take its stand on such an issue should it have arisen.

We believed it essential that Israel should withdraw in its own best interests. This we felt was a necessary prelude to a solution of other problems in the Middle East.

I think it significant that the use of traditional bilateral diplomacy to supplement United Nations action in the Middle East was of major importance in preventing the matter of sanctions from becoming a divisive issue in the United Nations. In this connection, I would like to quote a statement of the delegate of Ceylon made after Israel had announced its intention to withdraw:

I, as a humble representative of a small nation, would like to pay my tribute to the Government of the United States of America for creating a set of circumstances which enabled the withdrawal of Israel troops. It is, in my opinion, a very useful act in the solution of the troubles before us.

### **United States Position on Gaza and Sharm el-Sheikh**

The United States position on the Middle East problem has been made clear in various public documents beginning with the February 11 aide memoire.<sup>4</sup> During the long weeks in which the Assembly has been occupied with the Middle East, we have sought a solution which would be based on justice and which would take account of the legitimate interests of all parties. On March 1 Israel announced that it had decided to make full and prompt withdrawal behind the armistice lines in accordance with the General Assembly's resolution of February 2, 1957.

In the course of this announcement, the Foreign

Minister of Israel made certain declarations which, for the most part, constituted restatements of what had been said in the General Assembly or by the Secretary-General in his reports, or hopes and expectations which seemed to the United States not unreasonable in the light of prior actions of the Assembly.

On March 1, Ambassador Lodge, speaking for the United States in the General Assembly,<sup>5</sup> took note of the statement of the Secretary-General of February 22d in which he reported Egypt's readiness and willingness to make special and helpful arrangements in Gaza with the United Nations and some of its auxiliary bodies. In this connection, Ambassador Lodge said:

Obviously these matters are not for the United States alone to decide, but the United States can, I think, properly entertain the hope that such a useful role for the United Nations and its appropriate subsidiary bodies as the Secretary-General has described could usefully continue until there is a definitive settlement respecting the Gaza Strip or some final general agreement between the parties.

With respect to the area along the Gulf of Aqaba and the Straits of Tiran, the United States position remains as stated in Ambassador Lodge's speech:

It is essential that units of the United Nations Emergency Force be stationed at the Straits of Tiran in order to achieve there the separation of Egyptian and Israeli land and sea forces. This separation is essential until it is clear that the nonexercise of any claimed belligerent rights has established in practice the peaceful conditions which must govern navigation in waters having such an international interest. All of this would, of course, be without prejudice to any ultimate determination which may be made of any legal questions concerning the Gulf of Aqaba.

Since then developments in Gaza have moved rapidly. We have kept in close touch with Secretary-General Hammarskjöld and with various members of the United Nations. Just yesterday Mrs. Meir, Foreign Minister of Israel, called at the Department of State to express her "deep concern at the return of Egypt to Gaza, the reestablishment of its control therein and the reduction of the responsibilities of the United Nations in the Gaza area."<sup>6</sup> Mrs. Meir pointed out that Israel viewed this situation as contrary to the assumptions and expectations expressed by her and

<sup>4</sup> *Ibid.*, Mar. 11, 1957, p. 392.

<sup>5</sup> *Ibid.*, Mar. 18, 1957, p. 431.

<sup>6</sup> See p. 562.



others in the United Nations on March 1 and subsequently. She also expressed her anxiety at reports and statements envisaging restrictions against Israeli shipping in the Suez Canal and the Gulf of Aqaba and the maintenance of belligerency by Egypt.

Secretary Dulles reaffirmed that the United States policy continued to be as expressed in the speech of Ambassador Lodge in the General Assembly on March 1 and in the President's letter of March 2 to Prime Minister Ben-Gurion.<sup>7</sup> The Secretary reaffirmed "that the United States would continue to use its influence in seeking the objectives of peace and tranquillity and the avoidance of any situation which would negate the great efforts which had been made by the world community to settle the current disputes in accordance with the principles of the United Nations Charter." The United States stands firmly by the hopes and expectations it had expressed with respect to (1) the exercise of the responsibility of the United Nations in Gaza, (2) the free and innocent passage of the Straits of Tiran by the ships of all nations in accordance with international law, and (3) the settlement of the Suez Canal problem in accordance with the six principles adopted by the Security Council and accepted by Egypt.<sup>8</sup>

This Government will use its influence in every appropriate way to assist the Secretary-General and the parties concerned to carry out the recommendations of the Assembly and to create peaceful conditions in the area.

Very critical times remain with us. We have made progress along the road toward our objectives in the Middle East, but the road ahead is long and difficult.

Our objectives have not changed. Through the United Nations there have been accomplished a cease-fire and the withdrawal of forces, and the clearance of the Suez Canal has almost been completed. Immediately before us is the necessity for agreeing on interim arrangements for use of the canal and moving on to solution of the basic problems which gave rise to the present crisis. It is not sufficient to put out the fire; we must prevent it from breaking out again.

Getting at and removing the root causes is a formidable task. It is more than enough to

challenge the patience of a Job and the wisdom of a Solomon. But can anyone seriously believe that a lasting peace will be possible so long as the boundaries between Israel and her neighbors remain unsettled and a feeling of insecurity pervades the entire area? Can we hope to avoid serious difficulties in the future unless real progress is made toward the solution of the refugee problem and the development of the area's natural resources?

The solutions to these problems are as difficult as they are necessary. To find them, the United States is determined to continue to use every appropriate means both within and without the United Nations. In the process, we shall be serving the cause of peace with justice everywhere.

### **Enlarged United Nations Membership**

I would like now to turn briefly to a development in the United Nations of great public interest. That is the recent rapid increase in the size of United Nations membership—especially from Asia, Africa, and the Middle East. This reflects one of the great phenomena of the postwar period. In 12 years some 600 million people from this area have gained self-government or independence.

The United Nations is open for membership to all peace-loving countries able and willing to carry out the obligations of the charter. The United States favors, within this definition, a United Nations as broadly representative as possible.

A United Nations that has grown in less than 2 years from 60 to 81 members and in which the Afro-Asian states now constitute more than a third of the total presents new problems and, I think, new opportunities. I do not believe that it is necessarily cause for alarm.

Those who are concerned point to the fact that the Assembly rather than the Security Council has become the voice of the United Nations and its most influential body. The relative strength of the Latin American States has been reduced. The conflict over so-called colonial problems has been sharpened. With the recent increase in membership the Afro-Asian nations alone, if they stood together, could no doubt prevent the passage of any important resolution.

This situation requires careful consideration. In actuality, aside from the U.S.S.R. and its satellites, these blocs do not often vote as an entity. We think of Afro-Asia as a unit. In fact, it is

<sup>7</sup> BULLETIN of Mar. 18, 1957, p. 433.

<sup>8</sup> *Ibid.*, Nov. 12, 1956, p. 754.

extremely diverse and contains subbloes of an ethnic, religious, or political nature.

On certain fundamental issues the Afro-Asian nations do stand very solidly together. I refer particularly to colonialism and economic development. On these issues they are often joined by the so-called Latin American bloc.

The fact is that the people of the world, regardless of their military or economic strength, want an increasing voice in world affairs. In the United Nations, and especially in the Assembly, they find this voice. The traditionally great powers of the West, whose greater economic and military strength gives them a preponderance of authority and responsibility, must heed this voice if they desire wide support for their policies and actions. They do not have to heed it, of course, and the Assembly cannot enforce its recommendations on other members.

In my opinion, what is required of United Nations members in the enlarged General Assembly, where each state has one vote, is a special sense of responsibility. The smaller and underdeveloped countries do have a collective power far out of proportion to their economic, military, and political strength. If they abuse this power, the General Assembly can become a center of contention and deadlock. On the other hand, the great powers, if their cause is just, should not lack the support of the majority of the General Assembly on important issues.

I believe, if we examine the record, that the performance of the 11th General Assembly reflected in general this sense of responsibility of which I speak. On the Algerian question, for example, two Asian states, Japan and Thailand, played a leading role in developing a procedural-type resolution which avoided exacerbating the situation.<sup>9</sup> This was an excellent example of Assembly moderation and restraint. On the Cyprus

question, the General Assembly avoided prejudicing any substantive solution by adopting a simple resolution which has helped maintain an atmosphere reasonably conducive to future negotiations.<sup>10</sup> Here, too, an Asian state, India, was able to work out a compromise resolution generally acceptable to those principally concerned.

In conclusion, I should like to quote from an editorial in a recent issue of your magazine, *Council Woman*:

One thing is certain. The United Nations is the one solid hope of humanity for a peaceful and better world; and the United States can and must be its strongest supporter.

If the nations of the world had been compelled to live the past 12 years without a common meeting place, without basic rules by which nations should conduct themselves, without machinery for the peaceful settlement of their differences, without a place to air disputes and seek agreements—then it is my opinion that the world might not have survived those 12 years. The stresses and strains have been so great, the ideological conflict so sharp, and the destructive power of the weapons available so immense that without the unifying power of the United Nations we could have, by this time, destroyed ourselves.

If the United Nations is indeed the one best hope we have for peace with justice, it is only common sense to use it as the cornerstone for a sound, creative foreign policy. This does not mean that the United Nations dictates foreign policy to us or any other country. But enlightened self-interest dictates that we bend every effort to make the United Nations serve with increasing effectiveness the common desires of mankind for a world in which "Life, Liberty and the pursuit of Happiness" are not only possible but attainable.

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<sup>9</sup> *Ibid.*, Mar. 11, 1957, p. 423.

<sup>10</sup> *Ibid.*, Mar. 25, 1957, p. 508.



## United States and United Kingdom Exchange Views at Bermuda Meeting

*Following is the text of a joint communique with annexes issued at Tucker's Town, Bermuda, on March 24 by President Eisenhower and British Prime Minister Harold Macmillan at the close of a 3-day meeting, March 21 to 24 (White House press release dated March 24).*

The President of the United States and the Prime Minister of the United Kingdom, assisted by the United States Secretary of State and the British Foreign Secretary and other advisers, have exchanged views during the past three days on many subjects of mutual concern. They have conducted their discussions with the freedom and frankness permitted to old friends. In a world of growing interdependence they recognize their responsibility to seek to coordinate their foreign policies in the interests of peace with justice.

Among the subjects discussed in detail were common problems concerning the Middle East, Far East, NATO, European Cooperation, the reunification of Germany, and Defense.

The President and the Prime Minister are well satisfied with the results of this Conference, at which a number of decisions have been taken. They intend to continue the exchange of views so well begun.

The agreements and conclusions reached on the main subjects discussed at the Conference are annexed.

### ANNEX I

1. Recognition of the value of collective security pacts within the framework of the United Nations, and the special importance of NATO for both countries as the cornerstone of their policy in the West.

2. Reaffirmation of common interest in the development of European unity within the Atlantic Community.

3. Agreement on the importance of closer association of the United Kingdom with Europe.

4. Agreement on the benefits likely to accrue for European and world trade from the plans for the common market and the Free Trade Area, provided they do not lead to a high tariff bloc; and on the desirability that all countries should pursue liberal trade policies.

5. Willingness of the United States, under authority of the recent Middle East joint resolution, to participate actively in the work of the Military Committee of the Baghdad Pact.

6. Reaffirmation of intention to support the right of the German people to early reunification in peace and freedom.

7. Sympathy for the people of Hungary; condemnation of repressive Soviet policies towards the peoples of Eastern Europe, and of Soviet defiance of relevant United Nations resolutions.

8. Agreement on the need for the speedy implementation of recent resolutions of the United Nations General Assembly dealing with the Gaza Strip and the Gulf of Aqaba.

9. Agreement on the importance of compliance both in letter and in spirit with the Security Council Resolution of October 13 concerning the Suez Canal, and on support for the efforts of the Secretary-General to bring about a settlement in accordance with its provisions.

10. Joint declaration on policy regarding nuclear tests (See Annex II).

11. Agreement in principle that, in the interest of mutual defense and mutual economy, certain guided missiles will be made available by the United States for use by British forces.

1. For a long time our two Governments have been attempting to negotiate with the Soviet Union under the auspices of the United Nations Disarmament Commission an effective agreement for comprehensive disarmament. We are continuing to seek such an agreement in the current disarmament discussions in London. In the absence of such an agreement the security of the free world must continue to depend to a marked degree upon the nuclear deterrent. To maintain this effectively, continued nuclear testing is required, certainly for the present.

2. We recognize, however, that there is sincere concern that continued nuclear testing may increase world radiation to levels which might be harmful. Studies by independent scientific organizations confirm our belief that this will not happen so long as testing is continued with due restraint. Moreover, the testing program has demonstrated the feasibility of greatly reducing worldwide fallout from large nuclear explosions.

3. Over the past months our Governments have considered various proposed methods of limiting tests. We have now concluded together that in the absence of more general nuclear control agreements of the kind which we have been and are seeking, a test limitation agreement could not today be effectively enforced for technical reasons; nor could breaches of it be surely detected. We believe nevertheless that even before a general agreement is reached self-imposed restraint can and should be exercised by nations which conduct tests.

4. Therefore, on behalf of our two Governments, we declare our intention to continue to conduct nuclear tests only in such manner as will keep world radiation from rising to more than a small fraction of the levels that might be hazardous. We look to the Soviet Union to exercise a similar restraint.

5. We shall continue our general practice of publicly announcing our test series well in advance of their occurrence with information as to their location and general timing. We would be willing to register with the United Nations advance notice of our intention to conduct future nuclear tests and to permit limited international observation of such tests if the Soviet Union would do the same.

## Meeting Between Secretary Dulles and Israeli Foreign Minister

*Following is the text of an agreed statement released on March 18 (press release 155) following a meeting between Secretary Dulles and Israeli Foreign Minister Golda Meir.*

Israeli Foreign Minister Meir discussed with Secretary Dulles today various aspects of the present situation in the Middle East, particularly developments in the Gaza Strip following Israeli withdrawal in accordance with the United Nations resolutions.

Mrs. Meir expressed her deep concern at the return of Egypt to Gaza, the re-establishment of its control therein and the reduction of the responsibilities of the United Nations in the Gaza area. The Foreign Minister of Israel pointed out the gravity with which Israel viewed this situation and emphasized that it was contrary to the assumption and expectations expressed by her and others in the United Nations on March 1 and subsequently. She also expressed her anxiety at reports and statements envisaging restrictions against Israeli shipping in the Suez Canal and the Gulf of Aqaba, and the maintenance of beligerency by Egypt.

Secretary Dulles reaffirmed that the U.S. policy with respect to these matters continued to be as publicly expressed, notably in the speech of Ambassador Lodge in the United Nations General Assembly on March 1 and in the President's letter of March 2 to Prime Minister Ben-Gurion.<sup>1</sup> The Secretary said that the United States was concerned with current developments and was in close touch with U.N. Secretary General Hammarskjöld and other members of the U.N. He said that the United States would continue to use its influence in seeking the objectives of peace and tranquillity and the avoidance of any situation which would negate the great efforts which had been made by the world community to settle the current disputes in accordance with the principles of the United Nations Charter. The United States, the Secretary said, stood firmly by the hopes and expectations it had expressed with regard to the situation which should prevail in the area with respect to the exercise of the responsi-

<sup>1</sup> BULLETIN of Mar. 18, 1957, p. 431.



bility of the United Nations in Gaza, the free and innocent passage of the Straits of Tiran by the ships of all nations in accordance with international law, and the settlement of the Suez Canal problem in accordance with the Six Principles adopted by the Security Council and accepted by Egypt.<sup>2</sup>

A common readiness was expressed for continued consultation on these matters.

## **Death of President Magsaysay of the Philippines**

### **Statement by President Eisenhower**

White House (on board the U.S.S. *Canberra*) press release dated March 17.

In the tragic death of President Magsaysay, the people of the Philippine Republic, as well as those of the United States and the entire free world, have lost a valiant champion of freedom.<sup>1</sup> I had been looking forward to meeting with President Magsaysay in Washington, to reaffirm the close and affectionate ties all Americans have with his people.

A staunch advocate of independence for his people, President Magsaysay was also an active and determined fighter against communism. He will be greatly missed.

Mrs. Eisenhower and I extend to his family not only our personal sympathies but also the heartfelt sympathies of all Americans, who have lost a good friend.

### **Statement by Secretary Dulles**

Press release 154 dated March 18

The tragedy that claimed the life of President Magsaysay came as a grievous shock. I am sure all Americans join me in extending to our close friends of the Philippines our heartfelt condolences in the loss of their beloved President.

President Magsaysay was a great Philippine leader and an enlightened champion of the welfare of his people. He also provided a glorious example to the whole of Asia, and indeed to the world, of wisdom, courage, and success in overcoming the Communist menace.

<sup>2</sup> *Ibid.*, Oct. 22, 1956, p. 616.

<sup>1</sup> President Ramon Magsaysay was killed in the crash of an airliner on Cebu Island on Mar. 17.

In the death of President Magsaysay there has been lost to the Philippine people a noble leader, to the American people a true friend, and to the world a stalwart champion and exponent of the right of peoples to governments of their own choosing and to basic human freedoms.

## **Anniversary of Establishment of Pakistan as Republic**

Press release 172 dated March 23

*Following is the text of a message sent by President Eisenhower to the President of Pakistan on March 23 on the occasion of the first anniversary of the establishment of Pakistan as a Republic.*

His Excellency

ISKANDER MIRZA

*President of Pakistan  
Karachi*

I take great pleasure in extending to you and to the people of Pakistan warmest greetings and best wishes from the people of the United States on the first anniversary of the establishment of Pakistan as a Republic.

Pakistan has proved to the world again that a free people, with resolute faith and enduring courage, working together in a common cause, can surmount the many difficulties that inevitably face a new nation. You have made commendable progress since independence. I am confident that even greater achievements lie ahead.

The United States values its close and cordial ties with Pakistan. This anniversary affords me a welcome opportunity to reaffirm the importance I attach to the warm friendship between our two countries. I have every reason to believe that as free, independent democracies dedicated to the basic principles of peace and justice our two countries can look forward to ever closer friendship in the years ahead.

DWIGHT D. EISENHOWER

## **New U. S. Member Assumes Duties on Iraq Development Board**

Press release 167 dated March 21

The U.S. member of the Iraq Development Board, Clifford Willson, has arrived at Baghdad to take up his duties on the board. He suc-

ceeds Wesley R. Nelson, who served for 4 years as the U.S. member.

Mr. Willson's arrival at Baghdad will make it possible for him to participate in the observance of Iraq Development Week, which begins on March 23.

In providing a member for the Development Board, the United States has taken note of the vigorous strides which Iraq is making toward improvement of the living standards of all its people. Iraq's farsighted economic development program, supported by wise and intelligent use of revenues from its own resources, stands as an inspiration to other newly developing countries. It has been a source of gratification to the Government of the United States to be associated with Iraq in cooperative efforts to make the most effective use of available resources in redeveloping the historic lands of the Tigris and Euphrates. The several major projects to be dedicated during Development Week testify to the very real benefits to the people of Iraq of this progressive program and of the cooperative spirit which animates it.

## **Inter-American Highway Nearing Completion**

Press release 156 dated March 18

The awarding on March 15 of a contract for grading a 17-mile impassable section of the Inter-American Highway between Concepción, Panama, and the Costa Rican border initiated the first step in closing the last remaining roadway gap between the United States and the Canal Zone. The event marks the near approach to completion of an undertaking of the United States in cooperation with Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, and Panama begun in 1934.

Impetus was given the Inter-American Highway program in 1955 when President Eisenhower recommended that sufficient funds be provided for financial and technical assistance to complete the project at the earliest possible date.<sup>1</sup> As a result,

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<sup>1</sup> For text of the President's letters to the Congress dated Apr. 1, 1955, on the need for accelerating completion of the highway, together with a map of the Inter-American Highway, see BULLETIN of Apr. 11, 1955, p. 595.

Congress, in the summer of 1955, appropriated \$62,980,000. Rapid progress has been made since that time. The original agreements with the respective governments were negotiated by the Department of State, and engineering supervision and fiscal accountability for U.S. funds have been provided by the Bureau of Public Roads of the Department of Commerce. The United States is paying two-thirds of the cost of projects, and one-third is paid by the country in which the work is located.

Of the 1,600 miles of the highway lying between the southern border of Mexico and the Panama Canal, there remained, as of July 1955, 1,080 miles upon which improvement of some type was required to bring the highway to an acceptable standard for normal year-round travel. Within this unimproved mileage, there was a total of 173 miles where no passable highway existed. This total was made up of 25 miles just south of the Mexican border in Guatemala, 131 miles in southern Costa Rica, and the 17-mile section in northern Panama now to be begun. Awarding of a contract for this section in Panama places all impassable sections under construction. In addition, 490 miles of low-standard road are being improved. Much work remains to be done, including necessary improvements on an additional 370 miles. Many bridges are yet to be built, and some 1,000 miles of road will require final asphalt pavement.

The present dry season which began in December will see the greatest construction activity on the highway since its start. The last of the impassable sections is now under contract, and some time in 1957 it should be possible to drive over all-weather or paved roads from the United States to San Isidro, Costa Rica, a distance of 2,725 miles. By the end of 1958 it may be possible to drive over the entire length of the highway to the Panama Canal.

Tourist travel over the Inter-American Highway has already brought great benefits to the economy of Mexico. By 1959 other Central American countries should benefit also. Feeder roads connecting now inaccessible areas with the main artery are expected to develop rapidly with a marked increase in domestic and foreign trade.



# **U.S. Contribution To Help Fight Malaria in American Republics**

Press release 119 dated March 7

Milton S. Eisenhower, President Eisenhower's representative on the Inter-American Committee of Presidential Representatives, presented a check for \$1,500,000 on March 7 to Dr. Fred L. Soper, Director of the Pan American Sanitary Bureau, as a contribution from the U.S. Government toward malaria eradication in the other American Republics.

The ceremony took place in the Pan American Union building in the office of José A. Mora, Secretary General of the Organization of American States. John B. Hollister, Director of the International Cooperation Administration; Dr. LeRoy E. Burney, Surgeon General of the U.S. Public Health Service, Department of Health, Education, and Welfare; and John C. Dreier, Ambassador of the United States to the Organization of American States, were among those attending the ceremony. Following are the texts of remarks made by Dr. Eisenhower, Dr. Mora, and Dr. Soper.

## **Remarks by Dr. Eisenhower**

Mr. Secretary General, Dr. Soper, and Gentlemen: I am very happy to be able to participate in this ceremony this morning. We have gathered in the Pan American Union in recognition of the vital role that the Organization of American States is playing in efforts to advance human well-being and social progress in this hemisphere.

Historically, malaria has been a major foe of economic and social progress for the American Republics. It is still a scourge in many areas, affecting either directly or indirectly every individual on the continent. Experience indicates that malaria can be conquered with new weapons which are now available. The Pan American Sanitary Organization has played a leading part in their development and use. Malaria has been eradicated from several countries, including the United States. We all share an eagerness that it be eradicated with all possible speed from countries where it still exists.

Great interest has been expressed by the Inter-American Committee of Presidential Representatives in the role of the Organization of American

States in supporting programs for the eradication of disease from the continent. It was my privilege to announce to the members of this Committee at its first meeting last September that the United States was going to make a special contribution to the malaria eradication fund of the Pan American Sanitary Organization. This offer was subsequently made formally by the acting United States representative at a meeting of the Directing Council of the Sanitary Organization and is now being implemented by a grant from the International Cooperation Administration. In presenting this check for \$1,500,000, I hope that this expression of United States interest and the splendid efforts which are being made by so many countries will hasten the attainment of this great humanitarian goal of malaria eradication.

## **Remarks by Dr. Mora**

I wish to express on behalf of the Organization of American States and of the people of the American Republics the most profound appreciation for this most generous contribution of the Government of the United States to the solution of what has been characterized as the most urgent health problem in the Americas, the eradication of malaria.

Dr. Eisenhower, may I express to you and through you to the Government of the United States our deepest appreciation for this renewed demonstration of support for inter-American programs which contribute to the advancement of human welfare of all the people of the Americas.

I now turn this contribution over to Dr. Soper, Director of the Pan American Sanitary Bureau, our inter-American specialized organization in the field of public health.

## **Remarks by Dr. Soper**

Mr. Secretary General, Dr. Eisenhower, and Gentlemen: It is with a sense of profound gratitude that I accept on behalf of the Pan American Sanitary Organization this contribution by the United States Government to the campaign to eradicate malaria from this hemisphere.

Malaria is still a leading cause of death in many parts of the world, including some areas in the Americas. Its continued existence anywhere in this hemisphere threatens reinfection in all areas where malaria has been eradicated.

Science has given us a powerful new weapon in the residual insecticides such as DDT, which make the eradication of malaria possible and practicable throughout the Americas. But there is also a deadline we must meet, since mosquitoes eventually develop resistance to these insecticides. If we move too slowly, the job becomes vastly more difficult and costly. This is why we have given first priority to the malaria eradication program. The Pan American Sanitary Organization is urging governments to expand and accelerate their national eradication programs.

There has been an excellent response, and many governments are expecting our Bureau to give them greater administrative and professional col-

laboration in furtherance of their eradication programs. These demands have far exceeded our means, and we have been forced to seek additional resources.

And that is why, Dr. Eisenhower, we appreciate so much this timely contribution from the United States Government. It will enable us to move ahead more rapidly in all the territories of the Americas where malaria continues to exist.

On behalf of the Pan American Sanitary Organization I express our heartfelt appreciation for this generous contribution. It is an added demonstration of solidarity in our campaign to eliminate malaria from our shores.

## **Amending the U.S. Information and Educational Exchange Act of 1948**

*Statement by E. Allan Lightner, Jr.  
Acting Assistant Secretary for Public Affairs<sup>1</sup>*

It is a privilege to appear before this committee in support of certain amendments to the United States Information and Educational Exchange Act of 1948, sometimes referred to as the Smith-Mundt Act.

### **Role of Office of Public Affairs**

When this act was passed in 1948, all of its functions were placed in the Department of State under the general direction of the Office of Public Affairs. With the establishment of the United States Information Agency, and the transfer of information activities to that Agency, the Department retained two important functions in connection with this act:

(1) the supervision of the noninformation functions authorized by the Smith-Mundt Act; and

(2) foreign-policy guidance to the United States Information Agency.

The principal noninformation function provided by this act is the educational exchange program conducted by the International Educational Exchange Service of the Department under the general supervision of the Assistant Secretary for Public Affairs. The Secretary of State is also responsible for certain exchanges of personnel carried out by the International Cooperation Administration in connection with its technical assistance program.

My comments are principally concerned with the amendments pertaining to the responsibilities of the Department of State in conducting the educational exchange program. I can also assure you that the Department favors the amendments dealing with the information program.

When this act was originally passed, the House Foreign Affairs Committee was literally pioneering in a new field. It is really quite remarkable

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<sup>1</sup>Made before the Subcommittee on State Department Organization and Foreign Operations of the House Committee on Foreign Affairs on Mar. 13 (press release 143).



that during the intervening years no major amendments have been required in the act. This certainly illustrates the care and foresight of those who sponsored and enacted the original legislation.

Only recently has it become apparent, as a result of the cumulative experience in administering this increasingly complicated program over the years, that certain amendments to this act of 1948 are needed.

Before explaining these changes, a brief review of the scope of the International Educational Exchange Program and the relationship between the Smith-Mundt and Fulbright parts of it may be of interest.

### **Scope of Educational Exchange Activities**

The authority for the annual appropriations for all of the activities of the International Educational Exchange Service of the Department is derived from the Smith-Mundt Act. This act is also the authority under which the Department requests the appropriated foreign currencies provided for under the Fulbright Act (Public Law 584, 79th Congress). Included in the authorized activities are the following:

- (1) the operation of the various educational exchange programs, including the exchange of persons, their orientation and followup;
- (2) the program of assistance to American-sponsored schools in Latin America;
- (3) the approval and facilitation of hundreds of privately sponsored exchange programs designated as exchange-visitor programs and involving the bringing of thousands of persons to the United States;
- (4) assistance to other private programs involving the exchange of persons between the United States and other countries;
- (5) the responsibilities of the Secretary of State for participation in cultural conventions and other cultural activities between the United States and other countries and the backstopping of such international cultural activities as those conducted by the Cultural Council of the Organization of American States, North Atlantic Treaty Organization, Southeast Asia Treaty Organization, etc.; and
- (6) the coordination of these exchange and cultural activities into a combined effort to insure

their maximum effectiveness in our foreign relations programs.

### **Relationship Between the Smith-Mundt and Fulbright Programs**

The Smith-Mundt Act authorizes dollar appropriations for reciprocal exchanges on a worldwide basis. For example, in 1958 we plan to conduct programs under this act with 87 countries. Programs under the Fulbright Act, on the other hand, are restricted to countries with which we have specific Executive agreements that make available nonconvertible foreign currencies for this purpose. It is anticipated we will have such agreements with some 33 countries in 1958. Another limitation on Fulbright funds is their use in connection with schools and institutions of higher learning here and abroad. They could not be used to bring foreign leaders here on short visits or for other programs that are not strictly in the educational field. The fact that the Fulbright funds are available only in nonconvertible foreign currencies is another limitation. They can be used only for expenses within the participating foreign countries and for international travel.

In practice, this means that the program under the Fulbright Act has to have a certain amount of dollar support to supplement the foreign currencies provided. This works out at the ratio of about \$1 in U.S. currency for every \$2 in foreign currencies. The dollar currencies are used for expenses of foreign participants while they are in the United States and for the dollar costs of the stateside and overseas services required to carry out the program. I refer here to appropriated dollars. In addition to these cash outlays, maximum use is made of private scholarships and assistance from other private sources. The total value of such private financial support is a major factor in the success of the Fulbright program, as it approximates the amount of foreign currency expended each year.

I believe you will see from the foregoing that a joint operation of these two types of programs in countries where both are authorized is a necessity. We are constantly seeking to effect a closer integration, and, in fact, one of the amendments we are now proposing (section 5) is designed to bring about still further coordination between these two programs.

## **Estimated Cost of Amendments**

The estimated annual cost to the Department of all these amendments will be approximately \$320,000. However, in our judgment, the improvement in program effectiveness will more than offset this amount. The Department will not request additional funds for fiscal year 1958 for these purposes but will reprogram its regular funds to cover any additional costs.

## **Changes Between Present Bill and S.3638 Considered Last Year**

The bill you are now considering differs in some respects from the one the committee considered last year. Some of the changes are editorial in nature; others represent changes in substance or the adding of safeguarding provisions in compliance with comments or suggestions of the committee during the hearings last year. These will be noted as the particular provisions are discussed.

### *Development of Projects*

*Section 1* is for the purpose of authorizing our assistance to such projects as chairs of American studies at institutions abroad and the holding of short seminars or workshops on various branches of American studies.

The chairs in American studies would be filled by American professors or American-trained professors. We have found that projects of this nature engender binational support and produce a greater cumulative effect than can be gained from single isolated exchanges.

This provision would also permit us to arrange for special seminars and workshops abroad. Such meetings would bring together groups of American lecturers and researchers, already abroad under this program or the Fulbright program, for the purpose of presenting an intensive course on particular phases of American life and institutions.

These special seminars or conferences would be attended by foreign nationals who had been exchange visitors under the program, as well as some foreign nationals who had not had such an experience. For the former, this would be a "refresher" or "followup" session that would keep alive and fresh in their minds their American experience and would update or expand their knowledge of our country. Such sessions should also make a real impact on participants who have never

been to the United States, giving them an insight into American studies and American educational techniques. For example, a group of foreign high school teachers of American history or English could attend such sessions, even though they might not be able to come to this country under this program. The cost, of course, would be much less than if we brought them to this country.

### *Orientation for Non-U.S.-Government Students*

*Section 2 (a)* authorizes orientation courses and materials for exchangees who are not financed under the Government program. We now give orientation to our own grantees. This would enable us to do the same, on a very selective basis, for exchangees in nongovernmental programs similar to ours.

We have in mind particularly the orientation of foreign students participating in privately sponsored programs conducted by the Institute of International Education. The standards used in selecting these students are basically the same as those for Government grantees, with our embassies abroad assisting in the screening and selection.

Orientation usually consists of a 6-week academic program at selected colleges and universities, or a 4-week visit in the homes of individual American families under a program supervised by the Experiment in International Living.

The wording of this provision as compared with that submitted last year has been tightened up to assure that the orientation will be limited to the types of programs the Government operates and to those instances where we can determine that such orientation will better equip the exchangee to further the objectives of this act.

### *Third-Country Exchanges*

*Section 2 (b)* would permit nationals of a cooperating country to attend selected institutions in other cooperating countries and to participate in meetings held in such other countries. Grants under this provision would be awarded solely for the purpose of studying subjects pertaining to the United States and then only when it is determined that urgent foreign-relations objectives will be served.

Authority now exists in the Fulbright Act for sending nationals of countries participating in that program to American institutions abroad, such as Robert College in Turkey. As already



mentioned, the Fulbright program is limited to about 30 countries and therefore does not meet all the urgent needs in this field.

We have in mind, for example, projects for bringing together nationals of Lebanon and surrounding countries to take courses under American professors at the American University in Beirut. Also nationals of Asiatic countries could be brought to the University of the Philippines or the University of Taiwan to take intensive courses in American literature, American history, etc., under American professors and American-trained professors. Such arrangements would also broaden the audience, especially in terms of reaching different nationality groups, for American professors already assigned to certain of these countries and thus add to their effectiveness.

Two slight changes in the previous language have been made in the wording of this provision. The first would permit the participation in meetings held in places other than selected institutions and places of study. It could include an auditorium or other such public place. The other change makes it clear that this activity will not be undertaken in any country controlled by international communism. I can assure you also that institutions will be selected solely on the basis of our assurance of their desire and ability to promote ideas and principles in keeping with our basic foreign-policy objectives.

#### *Advisory Commission Membership*

The first item of *Section 3* will make officers of State universities and land-grant colleges eligible to serve on the U.S. Advisory Commission on Educational Exchange. The present wording of the act makes the holder of any compensated Federal or State office ineligible. It is our understanding that this was not intended to disqualify officers of educational institutions, but it has this effect in some States. We believe that all such persons should be eligible for consideration for membership on this commission.

#### *Annual Report by U.S. Advisory Commission to Congress*

*Section 4* amends the present law to require reporting by the U.S. Advisory Commission on Educational Exchange to Congress on an annual rather than a semiannual basis. More frequent reporting was desirable in the earlier days of the

program, but the commission and we believe that an annual report will not only be sufficient but also that it will be more meaningful to the Congress. The exchange program is planned and operated on an annual basis. Thus, an annual report will cover a logical program period. Should any situation arise which would make an interim report desirable, such a report could be presented on the initiative of the commission, or at our request, or at the request of the Congress.

#### *Use of Binational Commissions*

*Section 5* authorizes the use of existing binational commissions and foundations abroad in the administration of the program. These commissions are created under the Fulbright Act for the purpose of administering that program in each country. Their use in connection with the Smith-Mundt program will add a binational element that has proved most effective in the Fulbright program and will facilitate the joint administration of the combined programs.

No dollars are now available for these commissions. Under the proposed arrangement a very limited amount of dollars would be made available, primarily for payment of a portion of the salary of the key American officer.

This provision differs from the proposal of last year in that no authority is requested to create additional commissions. We plan to use only those established under the Fulbright Act, since one of the principal purposes is to coordinate the two programs.

#### *Advice From Private Groups*

*Section 6* amends section 801(6) of the act in two respects:

First, it authorizes the calling of meetings to obtain advice and assistance of private and public educational institutions and other similar organizations. This would permit better cooperation between governmental and nongovernmental exchange programs so that the effectiveness of both would be increased. Persons attending such meetings at the invitation of the Government would not require full field investigations of the kind conducted for persons employed or assigned to duty. Such investigations are not considered necessary since the persons attending would serve in advisory capacities only and would not have access to classified material.

There is general authority now (section 15 of the act of August 2, 1946, 5 U.S.C. 55a) under which individuals may be appointed and brought in for consultation and advice, but specific authority as a part of this act would be extremely helpful in attracting the type of individuals needed for this program.

There is authority now for creating advisory committees. The meetings contemplated under this additional authority, however, will be generally on a short-term basis, and we do not believe we should formally create a committee just for these purposes.

An editorial change has been made in this provision to eliminate unnecessary language.

#### *\$15.00 Per Diem for Commission Members*

Second, *Section 6* authorizes an increase from \$10.00 to \$15.00 in the per-diem rates payable to members of advisory commissions and committees. Such persons serve without compensation. The \$15.00 rate conforms to the general rate now prescribed for consultants and others serving without compensation. The authority requested would bring these commission and committee members under the general legislation prescribing rates of per diem for experts and consultants serving the Government without compensation.

#### *Emergency Medical Expenses*

*Section 7* includes an item (identified as subsection 5) which authorizes the payment of emergency medical expenses for persons selected to participate in the program. The lack of authority to pay such expenses in emergency cases has given rise to serious problems. Foreign participants are really guests of this Government while in this country, and the inability of the Government to meet their emergency hospital and medical expenses, which the individuals often are unable to meet, places them and the Government in an embarrassing position. Similar problems arise in the case of American participants abroad. Authority is requested also to pay the expense of travel incurred by reason of illness. In a number of instances participants in the program have suffered mental or physical disorders that require their return home accompanied by an attendant. The proposed provision would permit payment of travel costs incurred under such circumstances. This authority is urgently needed to meet emer-

gency situations as they arise. The number of such emergencies, fortunately, has been very small.

#### *Facilitating Exchanges of International Organizations*

*Section 8* amends section 902 of the act to permit the acceptance of funds from international organizations for operation of programs authorized by the act. Authority now exists for the acceptance of such funds from foreign governments. The additional authority is needed to permit this Government to accept funds for use in administering some of the fellowship programs of the United Nations. The funds would be accepted and used for only those specific projects for which they are made available by such organizations. Our Government is dedicated to a policy of cooperation with the United Nations. Lack of authority to accept funds offered by this organization for the training of foreign nationals in the United States under its programs has proved a source of embarrassment to our Government. This amendment would permit the desired cooperation.

The section differs from the one proposed last year in a matter of language only. There is no change in its substance.

#### *Annual Report by Secretary of State*

*Section 9* proposes a change in section 1008 which would permit the Secretary of State to report to the Congress on the educational exchange program annually. He is now required to report semiannually. Since a year is required to meet a complete cycle of the exchange program, reports presented on that basis would be more complete and more meaningful.

#### *Settlement of Tort Claims*

*Section 10* includes authority to settle tort claims arising abroad by both the Department and the U.S. Information Agency. The expeditious settlement of equitable claims will aid immeasurably in maintaining and promoting friendly relations abroad.

This will enable the Department and the U.S. Information Agency to settle all claims arising out of their overseas operations on a basis similar to that used by the armed services. A uniform basis for settlement of such claims is highly desirable.



## Effectiveness of Educational and Cultural Exchange Programs

Mr. Chairman, I appreciate the attention the committee has given to this rather detailed explanation. We are convinced that these amendments to the act of 1948 will enable the Depart-

ment to improve the administration of the educational exchange program. That program has become such a valuable instrument in the pursuance of our foreign-policy goals that I am sure you will look with favor on anything we can do to make it still more effective.

## The Cold War and the Universities

*by Frederick Cable Oechsner*

American universities are helping this country with ideas and personnel to fight communism on every cold-war battlefield in the world. Even if the cold war as we know it today should last for 50 years or more, the universities are directly contributing to shaping a world of the future where we may enjoy genuine peaceful coexistence instead of the uncertain substitute for it with which we are struggling today. Hungary and Egypt, and before them Korea, Formosa, and Indochina, have shown us how far we still have to go.

One encouraging thought to sustain us, in the midst of disturbing news from satellite Europe and the Middle East, is that, while man in his million-year history has had many periods of irrational and antisocial behavior, there has never been a time when he made such an intense, methodical, and intelligent attempt to understand and improve his behavior as at present.

Never before have we had the instruments that we have today for studying man in the matrix of his particular culture—whether he be American, Russian, Egyptian, or Israeli—and the way in which his behavior and culture relate to other individuals and groups in the world. And never before, incidentally, have we had the very real incentive of possible annihilation to spur us on.

In discussing the role of universities in the cold war, I use the latter term to describe the period since the end of World War II, a period of intense political, economic, and psychological as well as

military pressures, a period in which we find literally dozens of great cultural groups, each with its own cherished pattern of behavior, locked in a struggle for power and prestige.

Almost nothing seems more important to me in the working out of our cold-war problems than the actual movement of persons to one another's countries. I refer not only to the coming of delegates to the United Nations and other international conferences but also to the interchange of experience involved in the visits of educators, lecturers, labor leaders, doctors, lawyers, engineers, students, scientists, and artists and also of groups like orchestras, theater companies, and athletic teams. I was greatly surprised, a year or two ago, to see a young American girl broadcasting in Serbo-Croat from the Zagreb radio station to Yugoslav young people. She had studied the language at Smith College and had been sent overseas under the Department of State's international educational exchange program.

Six thousand others like her this year, both

• *Mr. Oechsner is principal officer of the U.S. consulate at Monterrey, Mexico. His article is based on an address which he made at Tulane University, New Orleans, La., on November 10, 1956, during a temporary assignment in the United States.*

American and foreign, will cross the oceans to and from United States universities under this program, at a cost of \$20 million. Another 30,000 persons will be assisted by private industry, by the great foundations like Ford, Rockefeller, and Carnegie, and by hospitals and medical schools, to study, teach, or do research at universities here and in 70 countries abroad.

A basketball clinic for coaches will be held in Japan; in Belgium the work of the first Center for Re-education of Cerebral Palsied Children will go on, as will that of a similar center in Norway; a school of journalism will operate at the University of Thammasat in Thailand, another at Nagpur University in India. All these programs have been made possible through the exchange of skills and sympathetic understanding between Americans and people abroad.

### **Inter-University Projects**

In many instances the U.S. educational exchange program has been the means of establishing direct cooperation between American and foreign universities. In the field of such inter-university work, there is also another excellent program financed by the International Cooperation Administration in Washington. Under this program 53 American universities have contracts with ICA, totaling \$53.6 million, for partnerships with universities in 38 countries abroad. (In some contracts, private foundations like Ford and Rockefeller have taken over the financing when ICA's term was through.) These contracts are in the area of technical cooperation, and their yield to the United States in this cold-war period can hardly be exaggerated.

Tulane has one of these contracts for cooperation with the University of Colombia in developing medical education. A Tulane doctor has gone to Bogotá to make the primary survey; representatives of the University of Colombia will then come to Tulane for training, work will be done on such things as curricula and bibliography for the library, and a close joint effort will continue throughout the life of the contract. The Delgado Central Trades School in New Orleans has a contract for cooperation with the School of Arts and Crafts at Beirut, Lebanon, and another with the Kampala Technical Institute in the Protectorate of Uganda, Africa.

On every continent American universities are

helping to develop sound, stable societies through unremitting effort in the very practical fields of agriculture, education, engineering, public administration, public health, housing, vocational training, industrial development, home economics, sanitation, and other areas critical in the struggle to extend democracy.

The University of Michigan, for example, has done an outstanding job with the University of the Philippines in setting up an Institute of Public Administration. Oklahoma A. and M. has helped Ethiopia to establish an agricultural college. North Carolina is in Peru, Minnesota in Korea, Columbia in Afghanistan; Illinois, Ohio State, Tennessee, Wisconsin, Rensselaer, and Kansas are in India. Oregon is in Nepal. Others are in Iran, Iraq, Jordan, Pakistan, Turkey, Libya, Indonesia, Thailand, Viet-Nam, and Japan.

In Ethiopia, where a school was established with American university assistance, 437 boys applied for enrollment but only 79 could be accepted at first. One lad trekked 800 miles to Addis Ababa on foot, selling most of his clothes en route. Without food for the last 2 days, he arrived at the U.S. Operations Mission so weak that he had to be taken to a hospital—but not before he told why he had come: to attend that new school the Americans were helping to get started. He was accepted, I may add.

In Iran 73 schools have been set up for children of nomadic tribes, and the schools travel with the tribes as they migrate. The same sort of thing is being done for the Bedouins in Jordan. Tribal chieftains were so enthusiastic over this first educational program ever attempted for these nomads that they wanted to hold school 8 hours a day, 7 days a week.

Needless to say, most of these places are front-line battlegrounds in the cold war and American universities are there fighting communism tooth and nail. Let me tell you what a distinguished scholar wrote to his dean when sent abroad recently to survey the need of a contract between his university and a foreign institution:

This job will require men with a certain missionary spirit, but such men can exert an influence that might have tremendous significance in this forming nation. The easy recommendation would be to stay out and avoid all the headaches, and even possible failure. I cannot make that recommendation. I say this because I do not care to contemplate the alternative: to stay out and see this nation slip into chaos and communism while we make no effort to save it.



I remember, as a young newspaperman in New Orleans, interviewing the gifted Irish poet, James Stephens, who wrote "The Crock of Gold" and many other poems. Discussing the political fortunes of Ireland in the midtwenties, I asked Stephens what he thought Ireland's best defenses were. "Well," he replied, "we can always retreat into the Gaelic language. Nobody will ever find us there."

I submit that today it is impossible for the Irish, or any other sizable group in the world, to retreat into its own culture. The reason is that our country, principally through its universities, is now engaged in a remarkably complete study of the different cultures of the world.

This research consists largely of what are called "area study programs." To find out about them, I went to the State Department's External Research Staff, a unit of the Office of Intelligence Research, which devotes full time to keeping abreast of university research dealing with foreign area and foreign policy problems. There I was given details of literally thousands of inquiries into the problems of particular geographical regions, often a single country or a subgroup within a country. These research projects are being carried out by most of the country's universities or individual scholars, with 40 institutions carrying the major load of 81 full-scale programs.

The area study programs were taken up seriously during and just after World War II to meet the needs of Government policymakers and of American business concerns for information on economic, political, and social conditions abroad. Since then, and especially in the last 5 years, the area studies have expanded and intensified enormously. Today they are financed not only by the universities and by individuals but also by the great private foundations like Ford, Rockefeller, and Carnegie, and also, of course, by the Government, which continues to be one of the great users of this intelligence developed in the universities.

Tulane has at least two important area-study projects: the Latin American Studies Program and a special project on the penetration of Western ideas into the political processes of West African societies. The Latin American program has yielded richly in completed studies, including those on Guatemala, Cuba, the Dominican Republic, Mexico, and many others on current problems.

Harvard, under a contract with the Air Force, has made microscopic studies of Soviet culture and behavior. (The External Research Staff lists well over 500 titles of research projects concentrated on Soviet Russia.) Through its Russian Research Center, Harvard also helps in the special language-and-area training given selected Foreign Service officers who will work in Moscow or satellite areas. Other universities prominent in this training program, coordinated with the Foreign Service Institute, are Columbia, Cornell, Yale, Princeton, and Stanford.

At Yale a series of handbooks on 50 foreign countries is being prepared for the Army for the purpose of preparing personnel going overseas to make the adjustment to their new environment.

At the Massachusetts Institute of Technology, the Center of International Studies, concentrating on international communications, economics, and U.S. relations with the Communist bloc, is producing work widely used in the Government. Members of the faculty at the M.I.T. Center are consultants to the Armed Forces and to the U.S. Information Agency.

Other studies of utmost importance are those in basic individual and group behavior dynamics; in intergroup tensions and the problems of co-operation; in our own American behavior and culture; in what the rest of the world thinks of us, and why.

**Fields for Further Expansion**

I would like to point out a few ways in which the Department of State feels that universities might expand their activities if possible: (1) the granting of scholarships to qualified foreign students; (2) stipends for foreign lecturers or research scholars; (3) establishing further ties with particular foreign universities in fields of mutual interest (you may recall that, at Baylor University not long ago, President Eisenhower underscored the challenge to American universities and graduates in "this great two-way avenue of contacts");<sup>1</sup> (4) encouraging well-qualified American students to apply for scholarships, government or private, for study overseas; (5) encouraging faculty members to apply for lecturing or research positions abroad; (6) stressing the critical importance of foreign-language study in our trade

<sup>1</sup> BULLETIN of June 4, 1956, p. 915.

and cultural relations with other countries. Not only in the field of languages but in all others the Government looks to the universities to develop manpower for the Foreign Service.

Indeed, I can think of no more important function of the universities in the cold-war period than the continued education of young people, and of the entire adult population of the country, to understand themselves and the problems of their age. They must learn to understand the culture in which they were raised, including its weaknesses and faults, as well as the cultures of other people.

I submit that, up to now, we have also used only a fractional part of our social potential as nations in learning to get along together rationally rather than emotionally. I do not know that we will see a "breakthrough" in our lifetime, and I am sure that there will always be pathological individuals like Hitler who identify the motivations of large cultural groups with their own. But never, it appears to me, has the light of knowledge and of conscience been focused on these problems of behavior so sharply as today. I have tried to show how the work of the American university fits into this great struggle for the rational survival of mankind.

## **U.S.-Dominican Agreement on LORAN Station**

Press release 161 dated March 19

The Governments of the United States and of the Dominican Republic entered into an agreement on March 19 by which the U.S. Government acquires the right to establish a Long Range Radio Aid to Navigation (LORAN) Station at Cape Frances Viejo on the northern coast of the Dominican Republic.

This station, one of a series constituting a net-

work in various countries of the Caribbean and other areas, will benefit air and sea navigation in this increasingly congested area. It will be manned by personnel of the U.S. Coast Guard.

## **United States and Japan Sign Income-Tax Protocol**

Press release 173 dated March 23

On March 23, 1957, the American Ambassador to Japan, Douglas MacArthur II, and the Japanese Minister of Foreign Affairs, Nobusuke Kishi, signed at Tokyo a protocol supplementing the income-tax convention of April 16, 1954, between the United States and Japan.

The 1954 convention with Japan,<sup>1</sup> like income-tax conventions in force between the United States and 18 other countries, contains provisions for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income. The protocol, upon entry into force, will supplement the convention by providing that the Export-Import Bank of Washington shall be exempt from Japanese tax with respect to interest on loans or investments received by such bank from sources within Japan. Reciprocally, the Export-Import Bank of Japan shall be exempt from United States tax with respect to interest on loans or investments received from sources within the United States.

The protocol, according to its terms, will continue in force concurrently with the 1954 convention unless terminated earlier by a 6 months' written notice of termination given by either Government to the other Government.

The protocol will be transmitted to the Senate for advice and consent to ratification. The text of the protocol will be available in printed form upon publication of the Senate Executive document.

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<sup>1</sup> Treaties and Other International Acts Series 3176.



# Air Transport Agreement Between United States and Mexico

Press release 122 dated March 7

## DEPARTMENT ANNOUNCEMENT

Francis White, United States Ambassador to Mexico, and Licenciado Luis Padilla Nervo, Secretary of Foreign Relations for Mexico, concluded on March 7 at Mexico City an exchange of notes providing for an air transport agreement between the two countries.

The exchange of notes, incorporating the understanding between the two countries, establishes the routes to be served by United States and Mexican flag airlines and contains the principles under which these routes will be operated.

The understanding between the two Governments also provides that the agreement shall become effective 90 days after the signature of the exchange and that it shall expire on June 30, 1959. At the request of either Government, made prior to May 30, 1959, conversations may be initiated looking to agreement concerning subsequent regulation of air transport between the two countries.

## TEXT OF AGREEMENT

MÉXICO, D.F., *March 7, 1957*

His Excellency

Sr. Lic. LOUIS PADILLA NERVO,  
*Secretary of Foreign Relations,  
México, D.F.*

No. 942

EXCELLENCY: I have the honor to acknowledge the receipt of Your Excellency's note No. 501404 of today's date, together with the attached Memorandum of Understanding and Annex, which read in translation as follows:

MR. AMBASSADOR: I have the honor to advise Your Excellency that the Government of Mexico, in a desire to contribute to the improvement of air transport between our two countries, is prepared to execute a provisional

arrangement regarding civil aviation with the Government of the United States of America in the terms of the Memorandum of Understanding and its Annex which I attach to the present note.

If, as I understand is the case, the Government of the United States of America is also willing to conclude such an arrangement on this basis, the present note and the note in reply from Your Excellency communicating your Government's acceptance of the Memorandum of Understanding and its Annex above-mentioned shall constitute a provisional arrangement regarding civil aviation between the two Governments.

I take this occasion to renew to Your Excellency the assurances of my highest consideration.

## MEMORANDUM OF UNDERSTANDING

1. The aeronautical authorities of the Government of Mexico shall grant permits to airlines designated by the Government of the United States of America to operate air services on the air routes specified below, via intermediate points, in both directions, and to make regular stops at the points listed in this paragraph:

- A. New York, Washington-Mexico City.
- B. Chicago, Dallas, San Antonio-Mexico City, via intermediate points in the United States.
- C. Los Angeles-Mexico City, via intermediate points in the United States.
- D. New Orleans-Mexico City.
- E. New Orleans-Mérida, and beyond, to Guatemala, and beyond.
- F. Miami-Mérida, and beyond, to Guatemala, and beyond.
- G. Houston, Brownsville-Tampico, Mexico City, Tapachula, and beyond, to Guatemala, and beyond.

The aeronautical authorities of the Government of the United States of America shall grant permits to airlines designated by the Government of Mexico to operate air services on each one of the air routes specified below, via intermediate points, in both directions, and to make regular stops at the points listed in this paragraph:

- A. Mexico City-Washington, New York.
- B. Mexico City-Chicago, via intermediate points in Mexico.
- C. Mexico City-Los Angeles, via intermediate points in Mexico.
- D. Mexico City-New Orleans, via intermediate points in Mexico.
- E. Mexico City-Miami, and beyond, via intermediate points in Mexico.

F. Mexico City-San Antonio, via intermediate points in Mexico.

G. (Pending).

2. Both parties agree not to designate, for the present, more than one airline for each route.

3. An airline designated by either country may, at its discretion, omit stops on any of the routes specified on any or all flights.

4. The aeronautical operations of the designated lines shall be governed by the principles set forth in the Annex to the present Memorandum of Understanding.

5. The present Provisional Arrangement shall enter in force ninety days after the date of the exchange of notes.

6. The arrangement shall terminate June 30, 1959.

7. Upon request of either Government, prior to May 30, 1959, talks may be initiated to reach an agreement concerning a system to regulate air transport subsequent to June 30, 1959, between the two countries.

## ANNEX

### I

(A) The term "aeronautical authorities" means in the case of the United States of America, the Civil Aeronautics Board or any person or agency authorized to perform the functions exercised at the present time by the Civil Aeronautics Board and, in the case of the United Mexican States, the Ministry of Communications and Public Works or any person or agency authorized to perform the functions exercised at present by the said Ministry of Communications and Public Works.

(B) The term "designated airline" means an airline that one party has notified to the other party, in writing, to be the airline which will operate a specific route or routes listed in the Memorandum of Understanding.

(C) The term "territory" in relation to a State means the land areas and territorial waters adjacent thereto under the sovereignty, suzerainty, protection, mandate or trusteeship of that State.

(D) The term "air service" means scheduled air service performed by aircraft for the public transport of passengers, mail or cargo.

(E) The term "international air service" means an air service which flies over the territory of more than one State.

(F) The term "stop for non-traffic purposes" means a landing for any purpose other than taking on or discharging passengers, cargo or mail.

### II

Each party grants to the other party rights necessary for the conduct of air services by the designated airlines, as follows: the rights of transit, of stops for non-traffic purposes, and of commercial entry and departure for international traffic in passengers, cargo, and mail at the points in its territory named on each of the routes specified in the Memorandum of Understanding. The fact that such rights may not be exercised immediately shall not preclude the subsequent inauguration of air services by the airlines of the party to whom such

rights are granted over the routes specified in the Memorandum of Understanding.

### III

Air service on a specified route may be inaugurated immediately or at a later date at the option of the party to whom the rights are granted by an airline or airlines of such party at any time after that party has designated such airline or airlines for the route and the other party has given the appropriate operating permission. Such other party shall, subject to Section IV, be bound to give this permission provided that the designated airline or airlines may be required to qualify before the competent aeronautical authorities of that party, under the laws and regulations normally applied by these authorities, before being permitted to engage in the operations contemplated by the Memorandum of Understanding and this Annex.

### IV

Each party reserves the right to withhold or revoke the operating permission provided for in Section III of this Annex from an airline designated by the other party in the event that it is not satisfied that substantial ownership and effective control of such airline are vested in nationals of the other party or in case of failure by such airline to comply with the laws and regulations referred to in Section V of the present Annex, or in case of the failure of the airline or the Government designating it to fulfill the conditions under which the rights are granted in accordance with the Provisional Arrangement.

### V

(A) The laws and regulations of one party relating to the admission to or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft of the airline or airlines designated by the other party and shall be complied with by such aircraft upon entering or departing from, and while within the territory of the first party.

(B) The laws and regulations of one party relating to the admission to or departure from its territory of passengers, crew, or cargo of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs, and quarantine shall be complied with by or on behalf of such passengers, crew or cargo of the other party upon entrance into or departure from, and while within the territory of the first party.

### VI

Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one party, and still in force, shall be recognized as valid by the other party for the purpose of operating the routes and services provided for in the Memorandum of Understanding and in the present Annex, provided that the requirements under which such certificates or licenses were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the Convention on International Civil Aviation. Each party reserves



the right, however, to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licenses granted to its own nationals by another State.

## VII

In order to prevent discriminatory practices and to assure equality of treatment, both parties agree further to observe the following principles:

(a) Each of the parties may impose or permit to be imposed just and reasonable charges for the use of public airports and other facilities under its control. Each of the parties agrees, however, that these charges shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.

(b) Fuel, lubricating oils, consumable technical supplies, spare parts, regular equipment, and stores introduced into the territory of one party by the other party or its nationals, and intended solely for use by aircraft of such party shall be exempt on a basis of reciprocity from customs duties, inspection fees and other national duties or charges.

(c) Fuel, lubricating oils, other consumable technical supplies, spare parts, regular equipment, and stores retained on board aircraft of the airlines of one party authorized to operate the routes and services provided for in the Memorandum of Understanding and in this Annex shall, upon arriving in or leaving the territory of the other party, be exempt on a basis of reciprocity from customs duties, inspection fees and other national duties or charges, even though such supplies be used or consumed by such aircraft on flights in that territory.

(d) Fuel, lubricating oils, other consumable technical supplies, spare parts, regular equipment, and stores taken on board aircraft of the airlines of one party in the territory of the other and used in international services shall be exempt on a basis of reciprocity from customs duties, excise taxes, inspection fees and other national duties or charges.

## VIII

There shall be a fair and equal opportunity for the airlines of each party to operate on the routes listed in the Memorandum of Understanding.

## IX

In the operation by the airlines of either party of the trunk services described in the Memorandum of Understanding the interest of the airlines of the other party shall be taken into consideration so as not to affect unduly the services which the latter provide on all or part of the same routes.

## X

The services made available to the public by the airlines operating under the Provisional Arrangement shall bear a close relationship to the requirements of the public for such services.

It is understood that services provided by a designated airline under the Memorandum of Understanding and the present Annex shall retain as their primary objective the provision of capacity adequate to the traffic demands be-

tween the country of which such airline is a national and the countries of ultimate destination of the traffic. The right to embark or disembark on such services international traffic destined for and coming from third countries at a point or points on the routes specified in the Memorandum of Understanding shall be applied in accordance with the general principles of orderly development to which both parties subscribe and shall be subject to the general principle that capacity should be related:

(a) to traffic requirements between the country of origin and the countries of ultimate destination of the traffic;

(b) to the requirements of through airline operation; and,

(c) to the traffic requirements of the area through which the airline passes after taking account of local and regional services.

Both parties agree to recognize that the fifth freedom traffic is complementary to the traffic requirements on the routes between the territories of the parties, and at the same time is subsidiary in relation to the traffic requirements of the third and fourth freedoms between the territory of the other party and a country on the route.

In this connection both parties recognize that the development of local and regional services is a legitimate right of each of their countries. They agree therefore to consult periodically on the manner in which the standards mentioned in this section are being complied with by their respective airlines, in order to assure that their respective interests in the local and regional services as well as through services are not being prejudiced.

Every change of gauge justifiable for reasons of economy of operation, shall be permitted at any stop on the designated routes. Nevertheless, no change of gauge may be made in the territory of one or the other party when it modifies the characteristics of the operation of a through airline service or if it is incompatible with the principles enunciated in the present Annex.

When one of the parties after a period of observation of not less than ninety days considers that an increase in capacity or frequency offered by an airline of the other party is unjustified or prejudicial to the services of its respective airline it shall notify the other party of its objection to the end that consultation be initiated between the appropriate aeronautical authorities and decision on the objection be made by mutual agreement within a period which may not be more than ninety days beginning on the date of such notification. For this purpose the operating companies shall supply all traffic statistics that may be necessary and required of them.

## XI

Rates to be charged on the routes provided for in the Memorandum of Understanding shall be reasonable, due regard being paid to all relevant factors, such as cost of operation, reasonable profit, and the rates charged by any other carriers, as well as the characteristics of each service, and shall be determined in accordance with the following paragraphs:

(A) The rates to be charged by the airlines of either party between points in the territory of the United States

of America and points in the territory of the United Mexican States referred to in the Memorandum of Understanding shall, consistent with the provisions of the present Annex, be subject to the approval of the aeronautical authorities of the parties, who shall act in accordance with their obligations under the Provisional Arrangement, within the limits of their legal powers.

(B) Any rate proposed by an airline of either party shall be filed with the aeronautical authorities of both parties at least thirty (30) days before the proposed date of introduction; provided that this period of thirty (30) days may be reduced in particular cases if so agreed by the aeronautical authorities of both parties.

(C) During any period for which the Civil Aeronautics Board of the United States of America has approved the traffic conference procedures of the International Air Transport Association (hereinafter called IATA), any rate agreements concluded through these procedures and involving United States airlines will be subject to approval of the Board. Likewise, agreements concluded through this machinery may also be required to be subject to the approval of the aeronautical authorities of the United Mexican States pursuant to the principles enunciated in paragraph (A) above.

(D) The procedure described in paragraphs (E), (F) and (G) of this Section shall apply:

1. If, during the period of the approval by both parties of the IATA traffic conference procedure, either, any specific rate agreement is not approved within a reasonable time by either party, or, a conference of IATA is unable to agree on a rate,

or

2. At any time no IATA procedure is applicable, or
3. If either party at any time withdraws or fails to renew its approval of that part of the IATA traffic conference procedure relevant to this Section.

(E) In the event that power is conferred by law upon the aeronautical authorities of the United States of America to fix fair and economic rates for the transport of persons and property by air on international services and to suspend proposed rates in a manner comparable to that in which the Civil Aeronautics Board at present is empowered to act with respect to such rates for the transport of persons and property by air within the United States of America, each of the parties shall thereafter exercise its authority in such manner as to prevent any rate or rates proposed by one of its airlines for services from the territory of one party to a point or points in the territory of the other party from becoming effective, if in the judgment of the aeronautical authorities of the party whose airline or airlines is or are proposing such rate, that rate is unfair or uneconomic. If one of the parties on receipt of the notification referred to in paragraph (B) above is dissatisfied with the rate proposed by the airline or airlines of the other party, it shall so notify the other party prior to the expiry of the first fifteen (15) of the thirty (30) days referred to, and the parties shall endeavor to reach agreement on the appropriate rate.

In the event that such agreement is reached, each party will exercise its best efforts to put such rate into effect as regards its airline or airlines.

If agreement has not been reached at the end of the thirty (30) day period referred to in paragraph (B) above, the proposed rate may, unless the aeronautical authorities of the country of the air carrier concerned see fit to suspend its application, go into effect provisionally pending the settlement of any dispute in accordance with the procedure outlined in paragraph (G) below.

(F) Prior to the time when such power may be conferred upon the aeronautical authorities of the United States of America, if one of the parties is dissatisfied with any rate proposed by the airline or airlines of either party for services from the territory of one party to a point or points in the territory of the other party, it shall so notify the other party prior to the expiry of the first fifteen (15) of the thirty (30) day period referred to in paragraph (B) above, and the parties shall endeavor to reach agreement on the appropriate rate.

In the event that such agreement is reached, each party will use its best efforts to cause such agreed rate to be put into effect by its airline or airlines.

If no agreement can be reached prior to the expiry of such thirty (30) days, the party raising the objection to the rate may take such steps as it may consider necessary to prevent the inauguration or continuation of the service in question at the rate complained of.

(G) When in any case under paragraphs (E) or (F) of this Section the aeronautical authorities of the two parties cannot agree within a reasonable time upon the appropriate rate after consultation initiated by the complaint of one party concerning a proposed rate or an existing rate of the airline or airlines of the other party, upon the request of either, the terms of Section XIII of this Annex shall apply.

## XII

Consultation between the competent authorities of both parties may be requested at any time by either party for the purpose of discussing the interpretation, application, or amendment of the Provisional Arrangement or Route Schedule (Point 1 of the Memorandum of Understanding). Such consultation shall begin within a period of sixty (60) days from the date of the receipt of the request by the Department of State of the United States of America or the Ministry of Foreign Relations of the United Mexican States as the case may be. Should agreement be reached on amendment of the Provisional Arrangement or Schedule of Routes, such amendment will come into effect upon confirmation by a further exchange of diplomatic notes.

## XIII

Except as otherwise provided, any dispute between the parties relative to the interpretation or application of the Provisional Arrangement which cannot be settled through consultation shall be submitted for an advisory report to a tribunal of three arbitrators, one to be named by each party, and the third to be agreed upon by the two arbitrators so chosen, provided that such a third arbitrator shall not be a national of either party. Each of the parties shall designate an arbitrator within two months of the date of delivery by either party to the other party of a diplomatic note requesting arbitration of a dispute; and the third arbitrator shall be agreed upon within one month after such period of two months.



If either of the parties fails to designate its own arbitrator within two months, or if the third arbitrator is not agreed upon within the time limit indicated, either party may request the President of the International Court of Justice to make the necessary appointment or appointments by choosing the arbitrator or arbitrators.

The parties will use their best efforts under the powers available to them to put into effect the opinion expressed in any such advisory report. A moiety of the expenses of the arbitral tribunal shall be borne by each party.

#### XIV

The Provisional Arrangement, all amendments thereto, and contracts connected therewith shall be registered with the International Civil Aviation Organization.

#### XV

If a general multilateral air transport Convention accepted by both parties enters into force, the Provisional Arrangement shall be amended so as to conform with the provisions of such Convention.

#### XVI

Either of the two parties may at any time notify the other party of its intention to terminate the Provisional Arrangement. Such notice shall be sent simultaneously to the International Civil Aviation Organization. In case such notification should be given the arrangement would terminate six months after the date on which the notice of termination may have been received, unless the communication under reference is annulled before the end of this period by agreement between both parties. Should the other party not acknowledge receipt it shall be considered that the notification was received by it 14 days subsequent to the date on which it is received by the International Civil Aviation Organization.

#### XVII

Upon entry into effect of the Provisional Arrangement the aeronautical authorities of the two parties must communicate to each other as soon as possible the information relating to authorizations given to the airline or airlines designated by them to operate the routes mentioned in the Memorandum of Understanding.

#### XVIII

The aeronautical authorities of both parties shall respectively advise each other eight days before the actual placing in operation of their respective permits the following data: schedules, frequencies, tariffs and types of aircraft normally utilized in their services. Any modification of the data under reference shall similarly be communicated.

In reply, I have the honor to advise Your Excellency that the Government of the United States of America is prepared to conclude a provisional arrangement on the basis proposed in Your Excellency's note, Memorandum of Understanding and Annex under reference, and accept your proposal to regard that note, the Memorandum of

Understanding and Annex and the present reply as constituting a provisional arrangement regarding civil aviation between our two Governments.

Please accept, Excellency, the renewed assurances of my highest consideration.

FRANCIS WHITE

## U.S. and Netherlands Resume Air Transport Negotiations

*Following is a Department announcement concerning the resumption on March 19 of negotiations on the U.S.-Netherlands air transport agreement, together with an exchange of letters between President Eisenhower and Dr. Willem Drees, Prime Minister of the Netherlands.*

### DEPARTMENT ANNOUNCEMENT

Press release 163 dated March 19

Delegations of the Governments of the United States and the Kingdom of the Netherlands resumed negotiations on March 19 for the conclusion of a bilateral air transport agreement. The negotiations were suspended last May.

The chairman of the Netherlands delegation is E. H. van der Beugel, State Secretary for Foreign Affairs. The vice chairman is H. J. Spanjaard, director of the Department of Civil Aviation, Ministry of Transport and Waterways. The other members of the delegation are Baron S. G. M. van Voorst tot Voorst, Envoy Extraordinary and Minister Plenipotentiary at the Netherlands Embassy in Washington; J. C. Nieuwenhuijsen, Ministry of Foreign Affairs; E. D. Baiz, representative of the Government of the Netherlands Antilles; F. J. Barend, representative of the Government of Surinam; L. H. Slotemaker, managing director of KLM, Royal Dutch Airlines; and S. C. van Nispen, commercial secretary at the Netherlands Embassy in Washington.

The U.S. delegation is headed by Thorsten V. Kalijarvi, Assistant Secretary of State for Economic Affairs; vice chairman is G. Joseph Minetti, member, Civil Aeronautics Board. Other members of the delegation are H. Alberta Colclaser, Hendrik van Oss, and John P. Walsh, Department of State; Raymond Sawyer and Joseph C. Watson, Civil Aeronautics Board. Bradley D. Nash, Deputy Under Secretary of Commerce for Trans-

portation, will be an adviser to the U.S. delegation, and Paul Reiber, representing the Air Transport Association of America, will attend as an observer.

## EXCHANGE OF LETTERS

Press release 166 dated March 21

### The Prime Minister's Letter

THE HAGUE, *28th February 1957*

DEAR MR. PRESIDENT: Your many responsibilities in American and world affairs will undoubtedly make it impossible for you to follow closely all questions pertaining to the bilateral relationship of the United States of America and the Netherlands, however united our countries are in the cause of the free world. I have therefore hesitated before writing you this personal letter to ask your special attention for the negotiations on an air transport agreement between the Netherlands and the United States, which are to begin in Washington on March 19th next.

These negotiations probably are of minor importance as compared to the many problems which the world at the present moment is facing, but Her Majesty's Government, the Parliament and the people of the Netherlands consider their outcome to be vital to the economy of my country.

The special geographic and demographic situation of my country, its limited natural resources, require that the Netherlands maintain its historic position as a world carrier, if it is to pull its weight as a sound member of the Western Alliance.

It is for this reason that I am taking the exceptional step of writing you to draw your attention to these negotiations, which naturally will be followed very closely by the Government and the people of the Netherlands.

The traditional friendship between your great nation and the Netherlands encourages me to feel

confident that you may see your way to giving this matter some personal thought. I am convinced that this would be extremely helpful in bringing about a favorable outcome of these discussions.

While thanking you in advance for anything which you may be able to do in this respect, I avail myself of this opportunity to send you the assurances of my highest esteem and of my feelings of sincere friendship.

W. DREES

### The President's Letter

MARCH 18, 1957

DEAR MR. PRIME MINISTER: I was very pleased to receive from the Ambassador of The Netherlands your letter of February 28 concerning the significance which the Government and people of The Netherlands attach to the forthcoming civil air negotiations between our two countries. I am glad that you did not hesitate to write me directly about a matter which affects so vitally the relations between the United States and The Netherlands. Both of our countries, which have joined with other like-minded nations to achieve certain mutual objectives in Nato, have as a common purpose the healthy expansion of our free economies, so necessary for the maintenance of the Western Alliance.

I place, as do the people of the United States, a very high value on maintaining and strengthening our close relations with The Netherlands. Such a relationship not only permits, but requires the frank exchange of views on problems of mutual concern. I have instructed the United States Delegation for the forthcoming civil air negotiations to give the most serious consideration to the factors described in your letter.

Sincerely yours,

DWIGHT D. EISENHOWER



## Notice of Intention To Enter Into Limited Trade Agreement Negotiations With the United Kingdom and Belgium<sup>1</sup>

The Interdepartmental Committee on Trade Agreements on March 18 issued notice of the intention of the U.S. Government, under the authority of the Trade Agreements Act as amended and extended, to enter into limited trade agreement negotiations with certain contracting parties to the General Agreement on Tariffs and Trade.

These negotiations are being held in connection with requests for compensatory tariff concessions by the United Kingdom and Belgium on the basis of the increase last year of the U.S. rate of duty on certain linen toweling. The increase from 10 percent to 40 percent ad valorem in the rate of duty on linen toweling became effective on July 26, 1956.<sup>2</sup>

The action to increase the duty was taken under the escape-clause provision of the General Agreement on Tariffs and Trade after a finding by the U.S. Tariff Commission that domestic industry was being seriously injured as a result of increased imports caused at least in part by a tariff concession which was initially negotiated with the United Kingdom in the agreement.

In accordance with the escape-clause provision, the United States has consulted with the countries having a substantial interest as exporters of linen toweling. The United Kingdom and Belgium, both of which have exported substantial quantities of linen toweling to the United States, have requested compensation for the U.S. action, which they consider an impairment of the concession. Japan, a small supplier of toweling, has indicated that it would expect to benefit from compensation granted to the other supplying countries. Ordinarily

the country using some procedure under the general agreement to increase a duty which is the subject of a concession grants compensatory concessions to the countries adversely affected. Should agreement on such compensatory concessions not be reached provision is usually made for the affected country to suspend equivalent concessions.

Tariff concessions by the United States will be considered within the limitation of authority available to the President under the Trade Agreements Act as amended. The Trade Agreements Extension Act of 1955 provides that rates may be reduced 15 percent below the January 1, 1955, rates by stages of 5 percent a year over a 3-year period but that no stage or reduction may be made effective after June 30, 1958. Consequently there remains authority to reduce rates to as much as 10 percent below the January 1, 1955, rate, in two annual stages of 5 percent each.

In accordance with past practice and the requirements of trade agreements legislation, the committee's notice sets in motion preparations for the negotiations, including opportunity for presentation by interested persons of both written and oral views on possible concessions which may be granted and the determination of "peril points" by the U.S. Tariff Commission on products on which the United States will consider granting concessions.

Included with the committee's notice is a list of products, some of which might be offered as compensatory concessions.

The Committee for Reciprocity Information announces that its hearings to receive the views of interested persons concerning the proposed negotiations will open on April 24, 1957. Domestic producers, importers, and other interested persons are invited to present to the committee views and all pertinent information about products on the

<sup>1</sup> This material is also available as Department of State publication 6470 and may be obtained from the Division of Public Services, Department of State, Washington 25, D.C. See also 22 *Fed. Reg.* 1878.

<sup>2</sup> BULLETIN of July 16, 1956, p. 115.

published list or any other aspect of the negotiations. All views and information will be carefully considered in deciding whether or not a concession should be offered by the United States. Consideration will also be given to all relevant information submitted to the Committee for Reciprocity Information in connection with its hearings in October 1955 and January 1956 in preparation for the Geneva tariff negotiations. Accordingly, persons who presented information and views at those hearings regarding products on the attached list and who do not desire to modify or supplement such material, need not—but may if they wish—repeat their written or oral submissions.

Applications for oral presentation of views and information should be presented to the Committee for Reciprocity Information not later than the close of business April 17, 1957. Persons desiring to be heard should also submit written briefs or statements to the committee by April 17, 1957. Only those persons will be heard who have presented written briefs or statements and have filed applications to be heard by the dates indicated. Communications are to be addressed to "Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D.C." Further details concerning the submission of briefs and applications to be heard are contained in the committee's notice.

The membership of the Committee on Trade Agreements and of the Committee for Reciprocity Information is identical, consisting of representatives of the Departments of State, Treasury, Defense, Agriculture, Commerce, Labor, and Interior, and the International Cooperation Administration, as well as a member of the U.S. Tariff Commission. The Department of State member is the chairman of the Committee on Trade Agreements, while the Tariff Commission member is the chairman of the Committee for Reciprocity Information.

The U.S. Tariff Commission also announced on March 18 that it will hold public hearings beginning April 24, 1957, in connection with its "peril point" investigation, as required by section 3(a) of the Trade Agreements Extension Act of 1951, on the extent to which U.S. concessions on listed products may be made in the negotiations without causing or threatening serious injury to a domestic industry producing like or directly competitive

products. Copies of the notice may be obtained from the Commission. Views and information received by the Tariff Commission on its hearings referred to above will be made available to the Committee for Reciprocity Information for consideration by the Interdepartmental Committee on Trade Agreements. Persons who appear before the Tariff Commission need not—but may if they wish—also appear before the Committee for Reciprocity Information, if they apply in accordance with the procedures of that committee as outlined above.

## **INTERDEPARTMENTAL COMMITTEE ON TRADE AGREEMENTS**

Trade agreement negotiations with governments which are contracting parties to the General Agreement on Tariffs and Trade regarding compensation for escape clause action.

Pursuant to Section 4 of the Trade Agreements Act, approved June 12, 1934, as amended (48 Stat. 945, ch. 474; 65 Stat. 73, ch. 141) and to paragraph 4 of Executive Order 10082 of October 5, 1949 (3 CFR, 1949 Supp., p. 126), and in view of certain "escape clause" action with respect to toweling of flax, hemp, or ramie taken by the President on June 25, 1956 (Proclamation 3143, 3 CFR, 1956 Supp., p. 33) under the authority of section 350 of the Tariff Act of 1930, as amended (48 Stat. 943, ch. 474) and Section 7(c) of the Trade Agreements Extension Act of 1951 (65 Stat. 74, ch. 141), notice is hereby given by the Interdepartmental Committee on Trade Agreements of intention to enter into trade agreement negotiations under Article XIX of the General Agreement regarding compensation to contracting parties to the Agreement that have a substantial interest as exporters for such escape clause action. Since the purpose of the negotiations is the granting of compensatory concessions by the United States, it is not anticipated that they will result in any concessions by other countries for the benefit of United States exports. The results of these negotiations would be embodied in Schedule XX to the General Agreement.

There is annexed hereto a list of articles imported into the United States to be considered for possible modification of duties and other import restrictions, or specific continuance of existing customs or excise treatment in the negotiations of which notice is given above.

The articles proposed for consideration in the negotiations are identified in the annexed list by specifying the numbers of the paragraphs in tariff schedules of Title I of the Tariff Act of 1930, as amended, in which they are provided for together with the language used in such tariff paragraphs to provide for such articles, except that where necessary the statutory language has been modified by the omission of words or the addition of new language in order to narrow the scope of the original language.

No article will be considered in the negotiations for



possible modification of duties or other import restrictions, imposition of additional import restrictions, or specific continuance of existing customs or excise treatment unless it is included, specifically or by reference, in the annexed list or unless it is subsequently included in a supplementary public list. Only duties on the articles listed imposed under the paragraphs of the Tariff Act of 1930 specified with regard to such articles will be considered for a possible decrease, but additional or separate ordinary duties or import taxes on such articles imposed under any other provisions of law may be bound against increase as an assurance that the concession under the listed paragraph will not be nullified. In the event that an article which as of March 1, 1957 was regarded as classifiable under a description included in the list is excluded therefrom by judicial decision or otherwise prior to the conclusion of the trade agreement negotiations, the list will nevertheless be considered as including such article.

Pursuant to Section 4 of the Trade Agreements Act, as amended, and paragraph 5 of Executive Order 10082 of October 5, 1949, information and views as to any aspect of the proposals announced in this notice may be submitted to the Committee for Reciprocity Information in accordance with the announcement of this date issued by that Committee. Any matters appropriate to be considered in connection with the negotiations proposed above may be presented.

Public hearings in connection with "peril point" investigation of the United States Tariff Commission in connection with the articles included in the annexed list pursuant to Section 3 of the Trade Agreements Extension Act of 1951, as amended, are the subject of an announcement of this date issued by that Commission.

By direction of the Interdepartmental Committee on Trade Agreements this 18th day of March 1957.

CARL D. CORSE  
*Chairman*

*Interdepartmental Committee  
on Trade Agreements*

LIST OF ARTICLES IMPORTED INTO THE UNITED STATES  
PROPOSED FOR CONSIDERATION IN TRADE AGREEMENT  
NEGOTIATIONS

| Par.   | Tariff Act of 1930, Title I—Dutiable List                                                                                                                                                                                                                                                                                                                                      |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5      | All chemical elements, all chemical salts and compounds, and all combinations and mixtures of any of the foregoing, all the foregoing obtained naturally or artificially and not specially provided for:<br>Sodium alginate.                                                                                                                                                   |
| 52     | Sperm oil, refined or otherwise processed; spermaceti wax.                                                                                                                                                                                                                                                                                                                     |
| 93     | Zinc chloride; zinc sulphate.                                                                                                                                                                                                                                                                                                                                                  |
| 218(a) | Biological, chemical, metallurgical, pharmaceutical, and surgical articles and utensils of all kinds, including all scientific articles and utensils, whether used for experimental purposes in hospitals, laboratories, schools or universities, colleges, or otherwise, all the foregoing, finished or unfinished, wholly or in chief value of fused quartz or fused silica. |

| Par.    | Tariff Act of 1930, Title I—Dutiable List                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 372     | Textile machinery, finished or unfinished, not specially provided for:<br>Machinery for manufacturing or processing vegetable fibers other than cotton or jute prior to the making of fabrics or crocheted, knit, woven, or felt articles not made from fabrics (except beaming, slashing, warping, or winding machinery or combinations thereof, and except bleaching, printing, dyeing, or finishing machinery).                                                                                                                                                                                                         |
| 906     | Cloth, in chief value of cotton, containing wool.<br>[Note: Paragraph 1122, Tariff Act of 1930, limits the wool content of cloth classifiable under paragraph 906 to less than 17 percent in weight.]                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 907     | Tracing cloth; waterproof cloth, wholly or in chief value of cotton or other vegetable fiber, but not in part of india rubber.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 921     | All other floor coverings, including carpets, carpeting, mats, and rugs, wholly or in chief value of cotton:<br>Imitation oriental rugs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 1009(c) | Woven fabrics, in the piece or otherwise, wholly or in chief value of vegetable fiber, except cotton, filled, coated, or otherwise prepared for use as artists' canvas.                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 1010    | Woven fabrics, not including articles finished or unfinished, of flax, hemp, ramie, or other vegetable fiber, except cotton or jute, or of which these substances or any of them is the component material of chief value, not specially provided for (except toweling, i. e., fabrics chiefly used for making towels, of flax, hemp, or ramie, or of which these substances or any of them is the component material of chief value).                                                                                                                                                                                     |
| 1410    | Unbound books of all kinds, bound books of all kinds except those bound wholly or in part in leather, sheets or printed pages of books bound wholly or in part in leather, all the foregoing not specially provided for, if other than of bona fide foreign authorship (not including diaries, music in books, pamphlets, prayer books, sheets or printed pages of prayer books bound wholly or in part in leather, or tourist literature containing geographic, historical, hotel, timetable, travel, or similar information, chiefly with respect to places or travel facilities outside the continental United States). |

COMMITTEE FOR RECIPROCITY INFORMATION

Trade Agreement Negotiations with Governments which are contracting parties to the General Agreement on

Tariffs and Trade regarding compensation for escape clause action.

Submission of information to the Committee for Reciprocity Information.

Closing date for applications to appear at hearing April 17, 1957.

Closing date for submission of briefs April 17, 1957.

Public hearings open April 24, 1957.

The Interdepartmental Committee on Trade Agreements has issued on this day a notice of intention to participate in trade agreement negotiations under Article XIX of the General Agreement on Tariffs and Trade regarding compensation to contracting parties to the Agreement that have a substantial interest as exporters for the escape clause action with respect to toweling of flax, hemp, or ramie taken by the President on June 25, 1956. Annexed to the notice of the Interdepartmental Committee on Trade Agreements is a list of articles imported into the United States to be considered for possible concessions in the negotiations. Since the purpose of the negotiations is the granting of compensatory concessions by the United States, it is not anticipated that they will result in any concessions by other countries for the benefit of United States exports.

The Committee for Reciprocity Information hereby gives notice that all applications for oral presentation of views in regard to the proposed renegotiations shall be submitted to the Committee for Reciprocity Information not later than April 17, 1957. The application must indicate the product or products on which the individual or groups desire to be heard and an estimate of the time required for oral presentation. Written statements shall be submitted not later than April 17, 1957. Such communications shall be addressed to "Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D. C." Fifteen copies of written statements, either typed, printed, or duplicated shall be submitted, of which one copy shall be sworn to.

Written statements submitted to the Committee, except information and business data proffered in confidence, shall be open to inspection by interested persons. Information and business data proffered in confidence shall be submitted on separate pages clearly marked *For Official Use Only of Committee for Reciprocity Information*.

Public hearings will be held before the Committee for Reciprocity Information, at which oral statements will be heard, beginning at 2:00 p. m. on April 24, 1957 in the hearing room in the Tariff Commission Building, Eighth and E Streets N. W., Washington, D. C. Witnesses who make application to be heard will be advised regarding the time and place of their individual appearances. Appearances at hearings before the Committee may be made only by or on behalf of those persons who have filed written statements and who have within the time prescribed made written application for oral presentation of views. Statements made at the public hearings shall be under oath.

Persons may present their views regarding any matter appropriate to be considered in connection with the proposed negotiations, although, as indicated above, it is not

anticipated that they will result in any concessions by other countries for the benefit of United States exports. Copies of the list attached to the notice of intention to negotiate may be obtained from the Committee for Reciprocity Information at the address designated above and may be inspected at the field offices of the Department of Commerce.

The United States Tariff Commission has today announced public hearings on the import items appearing in the list annexed to the notice of intention to negotiate to run concurrently with the hearings of the Committee for Reciprocity Information. Oral testimony and written information submitted to the Tariff Commission will be made available to and will be considered by the Interdepartmental Committee on Trade Agreements. Consequently, those whose interests relate only to import products included in the foregoing list, and who appear before the Tariff Commission, need not, but may if they wish, appear also before the Committee for Reciprocity Information.

By direction of the Committee for Reciprocity Information this 18th day of March 1957.

EDWARD YARDLEY

*Secretary,*

*Committee for Reciprocity Information*

## **President Asks Study of Tariff Quota on Alsike Clover Seed**

White House press release dated March 14

The President on March 14 requested the Tariff Commission to determine whether and to what extent the present tariff quota on alsike clover seed will remain necessary after June 30, 1957.

In an escape-clause proceeding under section 7 of the Trade Agreements Extension Act, the President adopted on June 30, 1954, a Tariff Commission recommendation for a tariff quota providing a duty of 2 cents per pound up to 1,500,000 pounds and 6 cents per pound for imports in excess of that amount.<sup>1</sup> The tariff quota was established for 1 year. At the President's request the Commission submitted a supplemental report, and on June 29, 1955, the President liberalized the tariff quota and extended it for 2 years.<sup>2</sup> The present tariff is 6 cents per pound on imports exceeding 2,500,000 pounds and 2 cents per pound up to that amount. It expires on June 30, 1957.

<sup>1</sup> BULLETIN of Aug. 2, 1954, p. 167.

<sup>2</sup> *Ibid.*, July 18, 1955, p. 116.



## President Decides Against Study of Tariff on Hatters' Fur

White House press release dated March 14

The President on March 14 concurred with the Tariff Commission's recent finding that no formal investigation should be instituted at this time to determine whether the tariff should be reduced on imports of hatters' fur. The President found, with the Tariff Commission, that there is no sufficient reason at this time to reopen the escape-clause action which resulted in an increase of the duty on imports of hatters' fur. The President's decision means that the increased rate of duty, established in 1952<sup>1</sup> as a result of escape-clause action, will continue to apply without reduction or other modification.

The President's action was taken after the views of all interested departments and agencies of the executive branch had been received and studied. The Tariff Commission's report was made pursuant to Executive Order 10401, which requires periodic review of actions taken under the escape clause. It was transmitted to the President on February 4, 1957.

The tariff on hatters' fur was reduced as the result of trade agreement negotiations in 1935 and again in 1948. Effective February 9, 1952, the tariff on imports of hatters' fur was increased as the result of an escape-clause action to its present rate of 47½ cents per pound, but not less than 15 percent nor more than 35 percent ad valorem.

The Tariff Commission's report constitutes its fourth periodic review of the escape-clause action taken on this product.<sup>2</sup>

## President Orders Investigation of Effects of Tung Oil Imports

White House press release dated March 22

The President has requested the U.S. Tariff Commission to make an immediate investigation of the effects of imports of tung oil on the domestic price-support program for tung nuts and tung oil and on the amount of products processed in the United States from tung nuts or tung oil. The President's action was taken in response to a recommendation from the Secretary of Agriculture.

<sup>1</sup> BULLETIN of Jan. 21, 1952, p. 96.

<sup>2</sup> Copies of the report may be obtained from the U.S. Tariff Commission, Washington 25, D.C.

The Commission's investigation will be made pursuant to section 22 of the Agricultural Adjustment Act, as amended.

### President's Letter to Chairman of Tariff Commission

DEAR MR. CHAIRMAN: I have been advised by the Secretary of Agriculture that there is reason to believe that tung oil is being and is practically certain to continue to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective or to materially interfere with the price support program for tung nuts and tung oil undertaken by the Department of Agriculture, pursuant to Section 201 of the Agricultural Adjustment Act of 1949, as amended, or to reduce substantially the amount of products processed in the United States from domestic tung nuts and tung oil. A copy of the Secretary's letter is enclosed.<sup>1</sup>

The Tariff Commission is requested to make an immediate investigation under Section 22 of the Agricultural Adjustment Act, as amended, to determine if there is a need for restrictions on tung oil imports. The Commission's findings should be completed as promptly as practicable.

Sincerely,

DWIGHT D. EISENHOWER

### INTERNATIONAL ORGANIZATIONS AND CONFERENCES

## U.N. Relief and Works Agency for Palestine Refugees

*Following are the texts of two statements made in the Special Political Committee by Mrs. Oswald B. Lord, U.S. Representative to the General Assembly, together with a U.S.-sponsored resolution adopted in plenary session on February 28.*

### STATEMENT OF FEBRUARY 18

U.S. delegation press release 2620

I am very much impressed with the comprehensive reports of the Director of the United

<sup>1</sup> Not printed.

Nations Relief and Works Agency.<sup>1</sup> After hearing his own excellent statement of last week, I wish first of all to pay tribute to Mr. [Henry R.] Labouisse and to the many faithful members of his agency. They have really done a most competent job under stringent limitations and unusually difficult circumstances in taking care of the welfare of the Arab refugees.

My Government has the widest sympathy and understanding for the plight of these refugees. I am personally concerned, for, Mr. Chairman, I have seen refugees all over the world—in Germany, Pakistan, India, Viet-Nam, Formosa—but the refugee camps I visited in the Middle East—Lebanon and Jordan are the most depressing because of the fact that these refugees have been there so long and seem to have so little to hope for.

This in itself is depressing enough, but it is even more depressing and unfortunate that, although we have considered their plight here year after year, the situation is *not* improving. Not only is it *not* improving—it is *not* being solved. Why? To my Government and to me there are three major elements that seem to stand out, and I want to elaborate on all three—but to sum them up:

First, a decision was made over 8 years ago that refugees would have the right to decide whether they should be repatriated or whether they should be compensated. Second, let's face the fact there has been some deterioration of relations between the agency and some of the host governments. Third, and most important, a good deal of lack of progress is due to the question of contributions.

Let's take the first point, that the refugees continue to live in the faith of the promise made to them 8 years ago that they will be repatriated to Israel or compensated. This has not been put into effect. The United States Government believes that with the minimum of good faith and willful understanding of particular and emotional problems involved we should find a way to settle this problem.

Let's take a look at the second problem—the deterioration of relations between the agency and some of the host governments. I don't have to remind the delegates of some of the unjustified instances of noncooperation on the part of some of the host governments that Mr. Labouisse has cited in his report. This type of noncooperation

between a host government and the Director and his responsible officials, fellow delegates, is inconsistent with the obligations as outlined in articles 104 and 105 of the charter.

This is really a matter of concern because, if any United Nations agency finds that host governments do not respect their charter obligations, the Director of that particular agency would have the right to suspend, curtail, or terminate its activities. I am sure that all would agree with the United States Government that, whether it is with the United Nations Relief and Works Agency or any other agency, the Director, if unable to carry out his assigned functions under the protection of the resolution which governs his activities and under the two articles of the charter, could well terminate his activities.

However, I am sure you would all agree with the United States delegation that host governments are entitled to protect and exercise their sovereign rights within their territories, and very possibly by exercising such sovereign rights honest differences can arise.

We are most desirous to minimize the chances of such a conflict, and we want to see each host government given a regard for its sovereignty—which any free nation is entitled to exercise.

Together, however, with this legitimate desire of the host governments to exercise fully their sovereign rights, we must consider the fact that the mandate of the United Nations Relief and Works Agency has a little more than 3 years to run. My Government believes that this body should now commence assisting the agency and the governments as best it can in preparing against the eventual termination of the United Nations Relief and Works Agency's activities in orderly planning and in fairness to the host governments and the welfare of the refugees. We believe that the Director of the agency should, after consultations with the host governments, prepare for submission to the 12th General Assembly specific proposals—without prejudice, of course, to the refugees' right of repatriation or compensation—for future implementation of the various responsibilities with which the agency is now charged.

The third and most important problem that I have referred to is contributions. I think most of the speakers here have agreed with Mr. Labouisse in his desire to undertake improvements—a desire he has expressed in all his reports. My delegation is in complete accord, but we do

<sup>1</sup> U.N. docs. A/3212 and Add. 1.



not think that only a few governments and particularly the United States can and should assume *full* financial responsibility for insuring the welfare of the refugees.

We will always stand ready to match generosity, but we have all agreed over and over again here at the United Nations when we have discussed other contributions—United Nations Children's Fund, technical assistance, etc.—that the very health and moral fiber of the United Nations is not served by contributions from a limited number of nations. One reason why there is so much interest, so much support, in the United Nations Children's Fund and technical assistance programs is because, in 1956, 79 countries completed their contributions to the United Nations Children's Fund and, in 1956, 61 countries pledged to the Technical Assistance Program.

Let's put all our efforts in a wider basis for pledging of contributions and, if possible, larger contributions. By contributions from more countries, by increased contributions, we can then foresee better standards of relief as requested by the Director. If, on the other hand, contributions fall short of the budget requirements, then the Director will have no choice—and it will be a tragic and unfortunate choice—but to reduce the already meager services to the refugees. If this tragedy should happen and services have to be reduced, we wish that food and clothing be the very last to suffer.

Mr. Chairman, now let us turn to the question of the rehabilitation fund. In the past my Government has always actively supported substantial rehabilitation programs. By this we mean programs that would improve the welfare of the refugee, provide him with a sense of security and a sense of belonging among his Arab brethren, but at the same time not prejudice his right to repatriation or compensation. Many diligent efforts have been made—such as those devoted to the development of the Jordan Valley, made by my Government. Unfortunately, agreements for these projects have not materialized although, as the Director has indicated, they have proved feasible and technically sound. We are still hopeful that projects will be agreed upon which will accomplish economic benefits to both the governments involved and to the refugees.

Therefore, we would like to suggest that the Director's discretion with regard to use of rehabilitation funds be broadened to the extent that

he may in his discretion disburse moneys from the rehabilitation fund for general economic development projects, subject only to agreement by the recipient government that within a fixed period it will assume financial responsibility for an agreed number of refugees. We think, Mr. Chairman, in making such a suggestion that the projects which may be agreed upon can really benefit the economies of the Arab world and will also contribute to the welfare of the refugees. In line with our interest in maintaining the rehabilitation fund, I can assure this Committee that my Government is presently making plans for a further contribution to the rehabilitation fund.

Mr. Chairman, I want to again express our admiration for the work which the Director of the United Nations Relief and Works Agency has done. If one single example is needed to demonstrate the efficiency and capacity of the Director and the agency, it can be found in the special report of the Director concerning the agency's activities in the Gaza Strip between November 1st and mid-December of last year.<sup>2</sup> Despite military operations and the deplorable damage and loss of life, my Government feels that it can truly say "well done" to the brilliant performance of the agency.

May I again appeal to all countries to remember that in this problem we are not dealing with a political situation as such. We are dealing with human beings who deserve more of our sympathy and consideration than they have received in the past.

#### STATEMENT OF FEBRUARY 22

U.S. delegation press release 2628

This Committee now has before it a draft resolution which has the cosponsorship and support of the United States. Much of its language is familiar to us since the problem has been long before us and, regrettably, will be before us probably for some years to come. I say regrettably because human beings and their sufferings are involved. It is in a continued and renewed effort to assist in the alleviation of this mass misery that the United States hopes that this resolution will receive the large majority support it warrants.

Mr. Chairman, as we see it, this resolution faces

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<sup>2</sup> U.N. doc. A/3212 Add. 1.

facts, many of which are regrettable, particularly in the fourth, fifth, and sixth preambular paragraphs, which relate to the inadequacy of contributions, to the fact that the hope of repatriation or compensation has not been fulfilled, and that, as the Director had to point out most unhappily in his report, cooperation between certain host governments and the agency has been inadequate. We believe it necessary that there be improvement on all of these points in the coming year or else the agency cannot hope to carry out its mandate.

The first operative paragraph also faces facts in that it should be an earnest effort on the part of the Director and the governments concerned to plan ahead in such a manner that the relationships between the agency and the host governments are so adjusted that the responsibilities with which the agency is now charged may carry on into the future in a manner best designed to insure the future welfare of the refugees and face the fact that the mandate of the agency by Resolution 818 (IX) is ended on June 30, 1960. In urging this step we want to stress that what we are asking the Director to do is in no way prejudicing the rights of the refugees or prejudging the solution of this problem. We fully appreciate the difficulties which the host governments may be forced to face, and this body should in the future be prepared to consider what those difficulties may be and what it can do about them. It is for this reason that we believe the Director should report to the next General Assembly along the lines indicated in the first operative paragraph. For our part, the United States stands ready to be of such assistance as may be indicated. The second operative paragraph is a reminder to all of us that the agency has certain rights and privileges which we must all respect if it is to function as expected of it. Accordingly, we believe it appropriate to request of the host governments the necessary cooperation with the agency and with its personnel and to extend to them every appropriate assistance in carrying out their functions.

The third operative paragraph is traditional in resolutions on this problem in that it directs the agency to pursue its programs, bearing in mind the limitations imposed upon it by the contributions.

The fourth operative paragraph indicates our continued interest and concern that rehabilitation projects capable of supporting a substantial number of refugees be sought and carried out. The

United States has given much thought to this matter and still believes that it is in the interests of the Arab peoples themselves that projects be found which will not only benefit the refugees but can have a profoundly beneficial effect on the Arab governments. For this reason, we are proposing in operative paragraph 5 that the Director's authority be broadened from what it has been to permit him to use rehabilitation funds, as they may be available, to arrange with individual host governments for general economic development projects. We believe that such arrangements should involve agreement on the part of any host government that within a fixed period of time it will assume financial responsibility for an agreed number of refugees. Certainly it is in the interests of all concerned that every effort be made to reduce the refugee problem as rapidly as possible. We are hopeful that this broader discretion will be of great assistance.

The remaining operative paragraphs are familiar in that they request the agency to continue its consultations with the Palestine Conciliation Commission. It reiterates its appeal to private organizations and governments to assist in meeting the serious needs of other claimants for relief in the area. It requests the Negotiating Committee for Extrabudgetary Funds to continue to seek the financial assistance needed and, most important of all, urges all governments to increase their contributions to the extent necessary to carry through the agency's programs.

The tenth operative paragraph takes cognizance of the fearless and courageous work of faithful international servants who continue to carry out the program for the refugees in the Gaza Strip following the recent hostilities. The Director and the agency ought to be commended for this initiative.

Finally, it expresses the General Assembly's thanks to the Director and the staff of the agency for their continued faithful efforts. Thanks are also always due to the many private organizations which have for so long continued their valuable work in assisting the refugees.

In conclusion, Mr. Chairman, may I say that it is our hope that the passage of this resolution will lend new vitality to the efforts of all of us in helping to assist and solve the Arab refugee problem. It is the conviction of my Government that failure to act in the affirmative way which we propose can have most unfortunate results for the refugees,



and they should come first in the minds of all of us here.

## TEXT OF RESOLUTION <sup>3</sup>

*The General Assembly,*

*Recalling* its resolutions 194 (III) of 11 December 1948, 302 (IV) of 8 December 1949, 393 (V) of 2 December 1950, 513 (VI) of 26 January 1952, 614 (VII) of 6 November 1952, 720 (VIII) of 27 November 1953, 818 (IX) of 4 December 1954 and 916 (X) of 3 December 1955,

*Noting* the annual report and the special report of the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East and the report of the Advisory Commission of the Agency,<sup>4</sup>

*Having reviewed* the budget for relief and rehabilitation prepared by the Director of the Agency,

*Noting* with concern that contributions thereto are not yet sufficient,

*Noting* that repatriation or compensation of the refugees, as provided for in paragraph 11 of resolution 194 (III), has not been effected, that no substantial progress has been made in the programme endorsed in paragraph 2 of resolution 513 (VI) for the reintegration of refugees and that therefore the situation of the refugees continues to be a matter of serious concern,

*Noting* that the host Governments have expressed the wish that the Agency continue to carry out its mandate in their respective countries or territories and have expressed their wish to co-operate fully with the Agency and to extend to it every appropriate assistance in carrying out its functions, in accordance with the provisions of Articles 104 and 105 of the Charter of the United Nations, the terms of the Convention of Privileges and Immunities, the contents of paragraph 17 of its resolution 302 (IV) of 8 December 1949 and the terms of the agreements with the host Governments,

1. *Directs* the United Nations Relief and Works Agency for Palestine Refugees in the Near East to pursue its programmes for the relief and rehabilitation of refugees, bearing in mind the limitation imposed upon it by the extent of the contributions for the fiscal year;

2. *Requests* the host Governments to co-operate fully with the Agency and with its personnel and to extend to it every appropriate assistance in carrying out its functions;

3. *Requests* the Governments of the area, without prejudice to paragraph 11 of resolution 194 (III), in co-operation with the Director of the Agency, to plan and carry out projects capable of supporting substantial numbers of refugees;

4. *Requests* the Agency to continue its consultation with the United Nations Conciliation Commission for Pales-

<sup>3</sup> U.N. doc. A/Res/524; adopted by the Special Political Committee on Feb. 23 (A/SPC/L.13/Rev. 2) by a vote of 66 to 0 with 1 abstention (Iraq) and by the General Assembly on Feb. 28 by a vote of 68 to 0 with 1 abstention (Iraq).

<sup>4</sup> U.N. doc. A/3498.

tine in the best interest of their respective tasks, with particular reference to paragraph 11 of resolution 194 (III);

5. *Decides* to retain the rehabilitation fund and authorizes the Director in his discretion to disburse such monies, as may be available, to the individual host Governments for general economic development projects, subject to agreement by any such Government that within a fixed period of time it will assume financial responsibility for an agreed number of refugees, such number to be commensurate with the cost of the project without prejudice to paragraph 11 of resolution 194 (III);

6. *Reiterates* its appeal to private organizations and Governments to assist in meeting the serious needs of other claimants for relief as referred to in paragraph 5 of resolution 916 (X);

7. *Requests* the Negotiating Committee for Extra Budgetary Funds, after receipt of the requests for contributions from the Director of the Agency, to seek the financial assistance needed from the United Nations Members;

8. *Urges* all Governments to contribute or to increase their contributions to the extent necessary to carry through to fulfilment the Agency's relief and rehabilitation programmes;

9. *Notes* with approval the action of the Agency in continuing to carry out its programme for the refugees in the Gaza Strip;

10. *Expresses* its thanks to the Director and the staff of the Agency for continued faithful efforts to carry out its mandate, and to the specialized agencies and the many private organizations for their valuable and continuing work in assisting the refugees;

11. *Notes* that the Agency is changing its financial period from a fiscal to a calendar year basis and that consequently the current budgets cover an 18-month period from 1 July 1956 to 31 December 1957, and that special arrangements for the audit of funds in this period are being made with the United Nations Board of Auditors;

12. *Requests* the Director of the Agency to continue to submit the reports referred to in paragraph 21 of resolution 302 (IV) as modified by paragraph 11 above.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Customs Tariffs

Protocol modifying the convention signed at Brussels July 5, 1890 (26 Stat. 1518), creating an international union for the publication of customs tariffs. Done at Brussels December 16, 1949. Entered into force May 5, 1950.<sup>1</sup>  
*Adherence deposited:* Rumania, February 13, 1957.

<sup>1</sup> Not in force for the United States.

## Trade and Commerce

Agreement on Organization for Trade Cooperation. Done at Geneva March 10, 1955.<sup>2</sup>

*Notification deposited (recognizing signature as binding)*: Austria, February 11, 1957.

Protocol of rectification to French text of the General Agreement on Tariffs and Trade. Done at Geneva June 15, 1955. Entered into force October 24, 1956, for those provisions which relate to parts II and III of the General Agreement. TIAS 3677.

*Notification deposited (recognizing signature as binding)*: Austria, February 11, 1957.

Sixth protocol of supplementary concessions to the General Agreement on Tariffs and Trade. Done at Geneva May 23, 1956. Entered into force June 30, 1956. TIAS 3591.

*Schedules of concessions enter into force*: Dominican Republic, April 10, 1957.

## Wheat

International wheat agreement, 1956. Open for signature at Washington through May 18, 1956. Entered into force July 16, 1956, for parts 1, 3, 4, and 5, and August 1, 1956, for part 2. TIAS 3709.

*Acceptance deposited*: Lebanon, March 20, 1957.

## BILATERAL

### Dominican Republic

Agreement for establishment of a long range radio aid to navigation station at Cape Frances Viejo. Signed at Washington March 19, 1957. Entered into force March 19, 1957.

### France

Agreement to facilitate interchange of patent rights and technical information for defense purposes. Signed at Paris March 12, 1957. Entered into force March 12, 1957.

### Greece

Agreement further amending the agricultural commodities agreement of August 8, 1956, as amended January 21, 1957 (TIAS 3633, 3741), by providing for the purchase of additional wheat. Effected by exchange of notes at Athens March 1 and 4, 1957. Entered into force March 4, 1957.

Agreement amending the agricultural commodities agreement of August 8, 1956 (TIAS 3633), by providing for the purchase of wheat with funds allotted for the purchase of lard. Effected by exchange of notes at Athens February 13 and 23, 1957. Entered into force February 23, 1957.

### Jordan

Agreement amending the agreement of May 1 and June 29, 1954 (TIAS 3145), relating to duty-free entry and defrayment of inland transportation charges for relief supplies and packages. Effected by exchange of notes at Amman July 6, September 28, and October 15, 1955. Entered into force September 28, 1955. (Substitution for exchange of notes of March 15 and 24, 1955, listed in BULLETIN of May 9, 1955.)

### Switzerland

Exchange of notes at Washington March 1 and 4, 1957, approving the agreed minute of February 6, 1957, relating to interpretation of the air transport agreement of August 3, 1945, as amended (TIAS 1576, 1929). Entered into force March 4, 1957.

<sup>2</sup> Not in force.

## DEPARTMENT AND FOREIGN SERVICE

### Designations

Norman B. Hannah as Special Assistant to the Deputy Under Secretary for Administration, effective March 11.

Charles Whitehouse as Special Assistant to the Deputy Under Secretary for Economic Affairs, effective March 11.

Max V. Krebs as Special Assistant to the Under Secretary, effective March 24.

### Check List of Department of State Press Releases: March 18-24

Releases may be obtained from the News Division, Department of State, Washington 25, D. C.

Press releases issued prior to March 18 which appear in this issue of the BULLETIN are Nos. 119 and 122 of March 7 and 143 of March 13.

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| 154  | 3/18 | Dulles; death of President Magsaysay.                               |
| 155  | 3/18 | Meeting of Secretary Dulles and Mrs. Meir.                          |
| 156  | 3/18 | Progress on Inter-American Highway.                                 |
| †157 | 3/19 | Phillips: statement on plant protection convention.                 |
| *158 | 3/18 | Drew nominated Ambassador to Haiti (biographic details).            |
| *159 | 3/18 | Bonsal nominated Ambassador to Bolivia (biographic details).        |
| 160  | 3/19 | Wilcox: "The United Nations and Public Understanding."              |
| 161  | 3/19 | Agreement with Dominican Republic for LORAN station.                |
| *162 | 3/19 | Young nominated Ambassador to Netherlands (biographic details).     |
| 163  | 3/19 | U.S.-Netherlands air transport negotiations.                        |
| *164 | 3/20 | Educational exchange.                                               |
| †165 | 3/21 | Polish coal mining officials visit U.S.                             |
| 166  | 3/21 | Exchange of letters with the Netherlands on civil air negotiations. |
| 167  | 3/21 | New U.S. member of Iraq Development Board.                          |
| *168 | 3/21 | Educational exchange.                                               |
| *169 | 3/22 | Bohlen nominated Ambassador to Philippines (biographic details).    |
| †170 | 3/22 | Fifth anniversary of Escapee Program.                               |
| *171 | 3/22 | Russell nominated Ambassador to New Zealand (biographic details).   |
| 172  | 3/23 | Eisenhower: anniversary of Pakistan Republic.                       |
| 173  | 3/23 | Signing of income-tax protocol with Japan.                          |

\*Not printed.

†Held for a later issue of the BULLETIN.



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Vol. XXXVI, No. 929

April 15, 1957

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THE DEPARTMENT OF STATE

# Bulletin

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VOL. XXXVI, No. 929 • PUBLICATION 6476

April 15, 1957

*The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.*

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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 19, 1955).

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## Secretary Dulles' News Conference of March 26

Press release 175 dated March 26

*Secretary Dulles:* Since I last met with you, I have been to two important international conferences. The first was the conference of the South-east Asia Treaty Council, which was held in Canberra, Australia, and then more recently, the Bermuda conference with the Prime Minister and the Foreign Secretary of the United Kingdom. Both of those conferences have been important, useful, and I think one can use the word "successful" conferences. I would be glad to answer questions about those conferences or any other matters that you want to question me about.

*Q. Mr. Secretary, as a result of the talks with the Prime Minister at Bermuda, do you expect a closer joint effort in the intelligence and planning fields between the United States and Britain?*

A. We do not plan to have any substantive change in that respect. We have, of course, for a long time had an association with the United Kingdom and Canada and with the NATO organization, particularly in relation to such matters as an alert if there should seem to be a danger of a Soviet attack. The NATO alert arrangement relates primarily to an attack, you might say, from the East, and the Canadian and U.K. arrangement to a possible attack from the polar area, from the north. There was some discussion about reviewing and perfecting some of these alert arrangements, but that is the only understanding on the matter that took place.

*Q. Mr. Secretary, is it correct that your understandings or conclusions or agreements, whatever the proper word may be, were set down on paper and initialed at Bermuda?*

A. There was no understanding put down on paper at Bermuda except a procedural one for refurbishing, you might say, or reviewing the intelligence arrangements which we have concerning alerts.

*Q. That is, there were no understandings, for example, on what policies the two Governments might pursue in the Middle East under various contingencies depending on the Hammarskjold mission in Cairo?*

A. No, although in the course of the long, extensive talks which we had and particularly some informal talks that took place, particularly in the dinner and evening sessions, we talked about a great variety of subjects, and I believe those things were touched upon, but they did not lead to any agreement.

*Q. That is, to written agreements? Nothing that was committed?*

A. No. I would stick by my original language.

*Q. In other words, each Government has its own position and not the same position on what it will do under these various possible contingencies?*

A. I would say that the exchanges of views that took place were useful, I think, in making it likely that there would be a common policy. But the contingencies that we had to deal with were so varied and so unpredictable that it seemed to be rather unprofitable to try to reach a formal agreement as to what we would do in any one of a score, perhaps, of possible variations of future development.

*Q. Mr. Secretary, has this Government been receiving any interim reports from Mr. Hammarskjold, and, if so, could you characterize them?*

A. We have received no interim reports from Mr. Hammarskjold. We have through Ambassador Hare had some contacts with him and with the Egyptian Government, through which we have gotten some inkling, I would say, as to the nature of the talks, but we are still quite in the dark this morning, for example, as to what has taken place during the recent discussions. Those discussions are not yet concluded. There was one last night,

which I think probably was an important one. We have no report as yet. I understand Mr. Hammarskjold will shortly be returning, at which time he will probably make a report, which will be available to us and to others.

*Q. You could not say now as to whether you are hopeful or not of the progress of his talks?*

A. Well, I used in the background conference which I had at Bermuda the phrase "cautious optimism," and I think that that is a phrase which can be safely taken out of the wraps of the background conference and even permitted publicly.

*Q. Mr. Secretary, what is your understanding as to Mr. Hammarskjold's impending report? To whom would it be made? To the Advisory Committee, or what?*

A. He would make it presumably to the Advisory Committee, at least. It might be made public. I don't know what his intentions are.

*Q. Yes. But I was wondering as to whom it would be addressed in the first place.*

A. Yes.

*Q. I notice annex II of the Bermuda communique<sup>1</sup> dealt with a joint policy of the two countries toward testing of nuclear weapons. Did that come about as a result of the protests on the part of Japan?*

A. No. It did not come about as a result of those protests, except as you can say that those pre-occupations held by Japan were a part of the sum total of the concern which prompted us to make some statement on the subject. But it was not specifically ascribable to any one cause.

*Q. Mr. Secretary, at yesterday's White House briefing of the congressional leaders on the Bermuda conference, to what extent was the possibility or the prospect of the United States' providing guided missiles for France discussed?*

A. Well, it was discussed only in a very casual way. A question was asked as to whether there was a possibility that guided missiles might be supplied to countries other than the United Kingdom, and the reply made was that we were not actually giving any consideration to that because the whole project was still in an experimental stage. These missiles are not actually flying yet,

and we can't predict with absolute certainty as to when they can be made available even for the United Kingdom. It seemed that the United Kingdom was the first place to start in this business of deploying these missiles to areas from

### **Deployment of Ballistic Missiles in United Kingdom**

*Statement by James C. Hagerty  
Press Secretary to the President*

White House press release dated March 25

The project for the deployment of intermediate-range ballistic missiles in the United Kingdom is an initial project which itself is yet to be fully developed, both from the standpoint of the weapons themselves and the precise conditions for deployment. This is the logical place of beginning. Subsequent deployments will, of course, remain to be considered but are not under active consideration.

which they could, if need be, serve most effectively as a deterrent, and this seemed to be the best way to start. Now, in principle, there is no reason to limit it to the United Kingdom, except that as a practical matter it would be premature to start considering it on a broader basis when we still have quite a ways to go before this particular United Kingdom project can be realized.

### **Egypt and the UNEF**

*Q. Mr. Secretary, does the United States believe that Egypt should make a pledge of nonbelligerency to Israel?*

A. We believe that under the Armistice Agreements there is not a right to exercise belligerent rights. We believe that is evidenced by the fact that that was the basis for the Security Council decision of 1951 with reference to the right of passage of cargo for Israel through the Suez Canal. And the basis for that decision was that under the Armistice Agreement Egypt did not possess belligerent rights. We voted for that resolution at the time, and we adhere to the view which was then held.

*Q. Mr. Secretary, do we believe that the United Nations Emergency Force should be stationed on both sides of the armistice line?*

A. We believe that it would conduce to the tran-

<sup>1</sup> For text, see BULLETIN of Apr. 8, 1957, p. 561.



quillity of the area if the United Nations Emergency Force was able to station itself astride, you might say, of the armistice line. That would involve some slight positioning of troops on the Israeli side as well as upon the non-Israeli side of the armistice lines, and that seems to have been called for by the United Nations resolution of February 2, I think it was, calling for the stationing of UNEF forces "on" the armistice line.<sup>2</sup> Since the armistice line is a line of no measurable width, but you might say an invisible line, it is not possible for human beings to stand "on" it without being a little bit on one side and on the other.

*Q. Mr. Secretary, did you discuss this with Mrs. Meir when she was here and ask that she accept this?*

A. Yes, we did discuss it.

*Q. Would you tell us her answer?*

A. No, I don't think I would be wise in doing that.

*Q. Mr. Secretary, on that point, is the American position that UNEF has in effect completed its task in the post-Suez-invasion period and you are now trying to turn it, or would like to see it turned, into an organization which would back up the armistice which was settled, agreed upon, prior to this—in other words, into a long-term affair, having nothing to do with the events since last fall?*

A. Well, that is one way of putting it; perhaps it puts it a little bit more positively than I would put it. I think it must be recognized that there is a chance of hostilities breaking out again in the event that restraints are not exercised by both sides. But I would not say that the initial role of the United Nations Emergency Force was exhausted until there is more assurance than there is today that belligerent rights may not be exercised if it should wholly withdraw. And, while it is true that the initial hostilities have come to a close and the initial forces of invasion have been totally withdrawn, I do not think that there is assurance of tranquillity which would indicate that the initial mission was wholly accomplished. That depends, of course, upon how one interprets the original terms of reference. But I think that

the original terms of reference are broad enough to cover the prospective activities of the UNEF.

*Q. Mr. Secretary, it seems to be the position of some powers that UNEF is there at the sufferance of Egypt and must leave when Egypt decides that it must go. Can you tell us what the United States position on that is?*

A. The generally accepted view in the United Nations is that the General Assembly has no right to impose upon any nation the presence of any observers or representatives or forces of the United Nations and that, in order for them to enter upon the territory of another state, they have to have the consent of that state. Now once the consent has been given, then I think a good argument can be made that the consent cannot be arbitrarily withdrawn, frustrating the original project, because other people change their positions in reliance of the original consent, forces are set in motion, a chain of events has occurred. And we would question, certainly, whether Egypt has the right arbitrarily to alter and change a consent once given until the purpose of that consent has been accomplished.

#### **Alternate Routes for Oil**

*Q. Mr. Secretary, would you give us your views, sir, about the advisability of having alternate routes to bring in the oil to the West, such as pipelines and super tankers, in case Mr. Nasser gets balky over his canal again?*

A. There are already in process of formation plans for alternatives or supplements to the Suez Canal, particularly in relation to the transportation of oil. Those consist primarily of projects for new pipelines and also for the construction of larger tankers. Now those plans are, as I put it, in process of formation, primarily by private concerns who are doing so under the impulse of ordinary commercial considerations. There is going to be, presumably, an increased demand for oil. The facilities of the Suez Canal, even if they remain fully available, are not going to be adequate. Consequently, private concerns which are interested in the transportation of oil are themselves considering the possibilities of additional pipelines and of additional large tankers. Now those projects are under way, and they are under way entirely under what I refer to as a commercial impetus to meet demands. They are being met

<sup>2</sup> *Ibid.*, Feb. 25, 1957, p. 327.

primarily by companies whose business it is to anticipate and meet public demands for commercial reasons. These big tankers are being built. Today there are, I understand, being built by an American concern 100,000-ton tankers in Japan. And companies interested in the oil are meeting, I think in London—have been meeting—to consider a new pipeline project.

Now these are going to go ahead, I think, in any event because of the inadequacy of the canal to meet the anticipated future need. They will go ahead at what you might call a normal commercial rate if we think that the canal is going to be a dependable reliance of the West. If it is felt that the canal will not be a reliable dependence of the West, then probably there will be added to the commercial factor a political factor which would accelerate these developments. That is about the situation.

*Q. Mr. Secretary, the Senate Foreign Relations Committee yesterday put out a report saying that because of its concentration on the world crises the United States is in danger of overlooking the interests of Central America and the Caribbean. The report also says that "in this area, rightly or wrongly, the United States is viewed as neglectful of its friends in the Western Hemisphere." I wonder if you care to comment on that?*

A. I would question very much the accuracy of that estimate of the situation. I believe that never before in history has the United States paid as much attention to its relations with the other Republics of the Organization of American States as has been the case during recent years, and I think that there is an appreciation of that fact by these governments. Just to illustrate: For the first time now we meet regularly with the representatives of the Organization of American States to discuss with them world problems in which they are interested—and I have met with them before the summit conference, after the summit conference, the subsequent Meeting of Foreign Ministers, the Suez Canal crisis—things which they are vitally interested in, because they know that, if a war occurs, a general war occurs, they are going to be in it. Then, of course, there was the Panama meeting and the outgrowths of that meeting. I believe that we are giving very great attention, in fact an unusual amount of attention, to our relations with all the Latin American States.

*Q. Mr. Secretary, I would like to check back on an answer you gave a moment ago. Do I understand it is the position of the United States that the Egyptian Government does not have the power, legally speaking, under present circumstances to compel United Nations forces to withdraw from its territory?*

A. The problem I don't think permits of a categorical answer. Now there was one question put to me here that suggested that the United Nations had accomplished its original mission, to which the consent of Egypt had been given, and that therefore its continuance there in effect was for a new purpose. If that's the case, and to the extent that's the case, then the original consent given by Egypt may have exhausted its purpose. If that has not been the case, then I think the consent given by Egypt cannot be arbitrarily withdrawn. I don't say it can't ever be withdrawn, but I say it can't be "arbitrarily" withdrawn without giving countries who have relied upon it an opportunity to turn around and reappraise their position in the light of the new situation.

*Q. Mr. Secretary, is it your view then that the mission of UNEF has not been completed as yet?*

A. Well, I indicated, I think, my views: I felt that under a liberal construction of the original mandate to the UNEF, in the light of the present situation and the fact that there is no clear assurance that hostilities—that belligerency—may not reoccur, it is not correct to conclude that the original mandate has been exhausted.

*Q. Does the right of Egypt—or the question of Egypt's right to withdraw its consent—is that affected in any way by the fact that Israel has so far refused to allow the UNEF to station its troops on its side of the border?*

A. Well, that is one of a number of factors that enter into one's conclusions about this thing. That is not an isolated and a single factor.

#### **Seeking Advisory Opinion of World Court**

*Q. Mr. Secretary, does it remain this Government's intention to attempt, together with other powers, to establish the principle of free or innocent passage through the Gulf of Aqaba; and, if so, can you give us an idea at what time that will be made?*



A. It is our intention to do that. That intention was made clear I think by the aide memoire which we gave to the Government of Israel and published last February.<sup>3</sup> Now the question of how it takes place is not yet determined. I think that it is the fact that a certain amount of shipping is or shortly will be in fact passing through the straits, although I also think that it is important to get a decision by the International Court of Justice as to what the legal rights of the parties are. We indicated, indeed, in that aide memoire that that would be a factor; that we felt that the preponderance of legal authority was so strong in favor of the right of passage that we felt that we were entitled to insist upon a right of passage unless and until there was a contrary decision by the World Court. And you may recall that the report of the Secretary-General<sup>4</sup> said that he did not think that belligerent rights should be exercised in relation to the Sharm el-Sheikh area and the Straits of Tiran, because he also shared the view that the preponderance of legal authority was that there was no right to exercise belligerent rights and to stop innocent passage through there. But it would be very helpful, I think, and it would be helpful also from the Egyptian standpoint, to get a decision on that matter. And consideration is now being given to ways and means of seeking an advisory opinion on that matter from the International Court of Justice.

*Q. Must each of the countries involved agree to the competence of the Court before it can judge the matter?*

A. Well, the United Nations, acting either through the Security Council or through the General Assembly, can request an advisory opinion from the Court, and that is the procedure which is presently being envisaged. Now, if you go to the Court in what you might call an adversary proceeding, where one of the parties brings a case against another, then that would require the acceptance by both parties of the jurisdiction of the Court. That is not so surely obtainable, and there would not be a case there unless and until there was an effort to obstruct, and we don't want that to happen. So we think the preferable procedure is to try to get an advisory opinion. That, of course, would take a qualified vote by the Security

Council or a two-thirds vote by the General Assembly, but we hope that that would be obtainable.

*Q. Well, Mr. Secretary, what is the effect of an advisory opinion? Does that become then res adjudicata and, subsequently, an adversary would merely apply to the Court for enforcement of an injunction or the equivalent of an advisory opinion?*

A. Well, I think that's getting me a bit out of my depth. That is a pretty complicated legal problem which I wouldn't want to answer off-hand. I used to take a good many days, and get a good many dollars, for answering questions like that. (Laughter)

### Aid to Poland

*Q. Mr. Secretary, 5 months ago yesterday, if my dates are correct, you offered economic aid to Poland out of our abundance. The negotiations are still going on unfruitfully. Can you tell us whether this delay is explained by a change of policy here, or, if not, what is the cause of the delay?*

A. I must confess that I am not as fully versed about that topic as I should be. It is being handled primarily by Mr. Dillon, and the recent developments have occurred while I have been in Canberra or Bermuda, or getting ready for Bermuda. I don't have a full, up-to-date report about that. My understanding is that at least up to the time when I went away to Canberra, and I think I reported it at my last press conference, there had been going on merely a study of information about the economic situation in Poland and the ascertainment of what the needs might be. It had not yet gotten down to a concrete negotiation. I think probably I had better confine myself to saying that I am not really up to date on the recent developments, which are being handled by Mr. Dillon.

*Q. Can you say whether there has or has not been any change in the attitude of this Government toward extending aid?*

A. There has been no change. At the time when the negotiations were begun, the view was taken that it was appropriate to consider that the present Government of Poland was not so completely dominated by the Government of the Soviet Union, or by what is called in the legislation "in-

<sup>3</sup> *Ibid.*, Mar. 11, 1957, p. 392.

<sup>4</sup> *Ibid.*, Feb. 18, 1957, p. 271 and p. 275.

ternational communism," as wholly to preclude the possibility of that aid. That was obviously a pretty close decision that we came to, and at the time we came to it it was decided we would keep the situation under review because actions taken, or omissions of action, might lead us to change our judgment in that respect. I do not understand that there is any recommendation to me to change the opinion which I gave before I went away in that respect.

*Q. Mr. Secretary, on the Middle East pipeline question, would you explain to us the thesis which was apparently developed at Bermuda of giving these pipelines, either existing or proposed, some new international status?*

A. The idea is the same idea which is applied in this country to pipelines of an interstate character, which to a very considerable extent are under the jurisdiction and control of the Federal Government in order to give stability to the operation. Now in essence a pipeline is no different from an international canal. They are both ways of getting through land. You have the Treaty of Constantinople of 1888, which gives international status to the Suez Canal, and it seemed to be appropriate to consider at least giving an international status to a pipeline so that it could not be arbitrarily interfered with by states through whose territory the pipeline passed.

We have the experience of the pipeline, the so-called I. P. C. [Iraq Petroleum Company] pipeline, which goes from Iraq through Syria, which is subject to a pretty arbitrary action by the Syrian Government and no country has any treaty status to complain about. It is purely, or very largely, a matter between the companies concerned and the foreign government, and, while every government has a right to try to promote and protect the private interests of its citizens abroad, that is quite different from the situation of a pipeline governed by an international treaty. Therefore, consideration is being given to having a treaty arrangement with the countries through which the new pipeline would go. That, of course, presupposes that such a treaty arrangement is acceptable to the countries concerned. You can't impose it upon them.

This pipeline, if it goes through the north—through Turkey, for example—is a pretty big oper-

ation and would cost a good deal more than the Suez Canal originally cost. The cost may be measured in terms of hundreds of millions of dollars, and there is a reluctance, and a natural and understandable reluctance, on the part of investors to put that much money into it unless it can get some kind of treaty protection.

*Q. It does not apply to existing pipelines?*

A. No.

#### **Communist China**

*Q. At the Canberra meeting the final communique that was issued<sup>5</sup> spoke about a lessening of the possibility of war in Asia. Would you attribute that to the growing strength of the free nations through SEATO or because of a weakening of the strength internally of Communist China?*

A. I would ascribe it more to the development of strength and unity of the countries around Communist China, notably through the SEATO treaty and the other treaties which the United States has, treaties with Korea, Japan, the Republic of China, the Philippines, and so forth, which I think make it inexpedient for the Chinese Communists to use methods of violence. They started out by using primarily methods of violence. They used those methods in North Korea, they used them in Tibet, they used them in northern Vietnam, and they started using them in relation to Taiwan, the Straits of Formosa. Now I think the growing strength and unity and demonstrated will of the affected free nations to resist, and to resist with a measure of unity, has made it seem inexpedient to the Chinese Communists to use those methods. But I attribute it more to that than to an internal weakness within China because, while undoubtedly there are many internal weaknesses, those weaknesses do not primarily relate to a weakening of their military power, which has actually been developing, and their system of strategic air fields, railroads, and air power generally has been increasing.

*Q. Mr. Secretary, have you had opportunity since your return to give any further attention to the admitting of American correspondents to Red China? What is the status?*

<sup>5</sup> *Ibid.*, Apr. 1, 1957, p. 527.



A. I have given a little thought to it as I have had time to think and scribble down some ideas on my plane trips recently. But I have not had an opportunity to exchange my own thoughts with the other officers of the Department who are primarily concerned. I expect to be doing that within the next few days, and it may or may not lead to some positive conclusions.

*Q. Mr. Secretary, the President said a couple of weeks ago that he was going to discuss the subject with you. Have you talked about this particular thing of the admission of American correspondents into Red China?*

A. I chat with the President frequently about this thing. Whether I have talked about it with him since that press conference I am not sure, but I am in close touch with the President about that subject.

#### **Resuming Traffic in Suez Canal**

*Q. Mr. Secretary, could you give your evaluation of the prospects of resuming traffic in the Suez Canal?*

A. I know no more than what is public knowledge. It looks as though the canal would be open for most vessels within perhaps a couple of weeks. It is increasingly open to vessels of light draft. It is not possible to say at any one moment whether it is "open" or not because it all depends upon "open to what?". Small vessels are going through now, a little bit bigger vessels will be going through tomorrow, bigger vessels the day after that. It all depends upon what the draft is of the vessels you are talking about. It will not be open for the largest vessels probably for a somewhat longer period of time because I think there is silt that has to be dug out and so forth. It will probably be open increasingly from now on, and most of the vessels, perhaps up to 10,000 tons, at least, will be going through within a week or 10 days.

*Q. Mr. Secretary, in this period what are these vessels doing about paying tolls for the use of the canal?*

A. I believe that, insofar as any that have gone through, they have paid tolls to the Suez Canal Authority, but the number of vessels that have gone through is not significant enough to establish any pattern.

*Q. Do the vessels of the United States have any instructions on this point?*

A. No.

*Q. Mr. Secretary, in the Bermuda communique, when you discussed the nuclear testing, you set forth the two stipulations, one that Russia give prior announcement and the other that it admit international observers to its tests. If the Russians were to surprise the world and accept these two stipulations, how would that new situation meet the objections of Japan and India and other powers? In other words, the testings would still go on, would they not?*

A. Yes, the testings would still go on. But there would be a sounder basis than now exists for bringing them under international control, and some approach at least would have been made to an international dealing with the matter. I don't say that the acceptance of these two requirements by the Soviet Union would solve the problem, but, once you start down a certain path, it is easier to go on down that path and that would be a beginning and not an effective end.

Before we break up—and I see it is beginning to get late—I want to say that the last time we met we ended up on a somewhat wondering note about the status of romance. Mrs. Dulles and I are sending a telegram today to Mr. and Mrs. Harold Connolly at Prague extending to them our congratulations.

### **Secretary Dulles Writes Foreword for New Editions of "War or Peace"**

Press release 179 dated March 29

#### **DEPARTMENT ANNOUNCEMENT**

Secretary Dulles made public on March 29 a foreword he has written for new editions of his book *War or Peace*, originally published in the first part of 1950.

The new editions are in foreign languages—Japanese, 25,000 volumes; Turkish, 20,000 volumes; and Arabic, 5,000 volumes—and a paper-backed reprint in English by the Macmillan Company in 50,000 volumes for overseas sale at 15 cents per copy, or less. Royalties have been waived on all these editions.

Secretary Dulles wrote the foreword because in the 7 years since the book was first published certain intervening events have occurred which call for comment.

## TEXT OF FOREWORD

It is a matter of gratification to me that *War or Peace* continues to be published in various languages. This book was written in the early weeks of 1950. It sought to portray the danger of war and to describe the political policies and spiritual attitudes which would be needed to win the peace. As I write this new preface, seven years later, I find little then said that now requires to be unsaid. But certain intervening events have occurred which call for comment.

Chapter Two, entitled "Know Your Enemy," is largely documented from the writings of Stalin, notably his *Problems of Leninism*. Stalin has fallen into some disfavor with the Soviet bloc at the time of this writing. However, Soviet Communism continues to adhere to the Stalin doctrine which is cited.

Chapter Six discusses the action of the United Nations to create the Republic of Korea. It is pointed out that, up to the time of writing, i. e. early 1950, the influence of world opinion, focused through the United Nations Assembly, had effectively inhibited Communist invasion from the North. But, I said, "It would, of course, be rash to predict that this situation will continue indefinitely." It did not in fact continue indefinitely. In June 1950 the Communists, in defiance of the United Nations, struck with armed force against the Republic of Korea.

The reaction of the United Nations is now a matter of well known history. It marks a major chapter in the evolution of world organization. For whatever may have been the reasons which encouraged the Communists to feel that they could attack with impunity and without opposition, the fact is that there was opposition, that it was effective opposition and that the aggressors were thrown back to and behind their point of beginning. This is the first time in history that aggression has been met and punished by the power of a previously organized world society.

However, this episode throws additional light on the problem of world organization, dealt with

in Chapter Sixteen. The quick response of the United Nations to the Korean aggression was possible only because at that particular moment the Soviet Union was "boycotting" the United Nations Security Council, and thus failed to exercise its veto power.

The lesson drawn from this event has led to a marked development of the system of regional associations, described in Chapters Eight and Sixteen. At the beginning of 1950, the only collective defense arrangements were those created by the Rio Treaty of 1947 and the North Atlantic Treaty of 1949. Since then the North Atlantic Treaty itself has been enlarged by the added membership of Greece, Turkey, and the Federal Republic of Germany. There have also come into being several security treaties in relation to Asia. There are the United States-Philippine Treaty of August 30, 1951; the United States-Australia-New Zealand Treaty of September 1, 1951 (ANZUS); the United States-Japan Security Treaty of September 8, 1951; the United States-Republic of Korea Treaty of October 1, 1953; the Southeast Asia Security Treaty made on September 8, 1954, by Australia, France, New Zealand, Pakistan, the Philippines, Thailand, the United Kingdom and the United States (SEATO) which also covers, by protocol, the territory of Cambodia, Laos, and the Republic of Vietnam; and the United States-Republic of China Security Treaty of December 2, 1954.

The United States is now joined with 42 other nations in collective security pacts pursuant to Article 51 of the United Nations Charter.

The unexpectedly rapid development of such pacts, so that they now protect most of the world, is a direct consequence of the Communist armed aggression against the Republic of Korea, and the fear that should another such aggression occur there could not be an effective United Nations response because of the Soviet veto power.

Such pacts are not, however, the only alternative to veto in the Security Council. The United Nations General Assembly acted in the fall of 1950 to adopt resolutions and rules so that it could quickly react in the event of an armed attack with which the Security Council cannot deal by reason of veto by permanent members. This General Assembly action was taken under the title "Uniting for Peace," and was invoked in the case of armed action in the Middle East in



October–November 1956. Thereby the United Nations General Assembly assumed a new stature.

Chapter Twelve, dealing with the “Five-Year Score,” ends on a somewhat pessimistic note. There is quoted the *Izvestia* editorial of January 1, 1950, listing the countries which had been brought under the rule of Soviet Communism, and it is noted that the editorial concludes, “Communism will triumph! A Happy New Year, Comrades, a very Happy New Year!”

It is, however, to be observed that since that boastful editorial was written, there have been only negligible additions to what *Izvestia* called “the camp of democracy and socialism.” Tibet was taken over by the Chinese Communists; and Vietnam was infiltrated from North to South by Communism. But the Communist elements have been eradicated from the South of Vietnam where the Republic of Vietnam seems firmly established, even though the North is dominated by the so-called “People’s Republic.” Broadly speaking, the collective measures taken by the free nations have served to check the onrush of Communism which was foreseen by *Izvestia* on January 1, 1950. And in Guatemala, Iran and Austria, Soviet Communist power has been largely eradicated.

Part IV deals with “What Needs To Be Done.” Some of this has been done, and the fact that it has been done has preserved freedom in much of the world and gained it in parts of the world. World organization has to some extent been developed as advocated in Chapter Sixteen. The United Nations has greatly gained in universality, the membership being now 81.

In the first edition of *War or Peace*, I suggested the desirability of developing some system of weighted voting. The subsequent growth in membership only serves to accentuate the inadequacy of the voting methods, both in the Assembly and the Security Council. In the circumstances, reconsideration of voting rights has become even more needed.

The General Assembly has agreed in principle to the idea of convening a Charter Review Conference, as urged in Chapter Sixteen, but the actual holding of that conference remains in doubt.

It remains my conviction that a Charter Review Conference will serve a useful purpose. The world climate, at the time the conference is convened, may permit formal amendments to bring the Charter more in line with the needs of the

atomic age. In any event it will be helpful to examine the progress the United Nations has made and determine how it might be developed into a more effective instrumentality for world peace.

In Chapter Sixteen reference is made to the possibility of the Communist Government of China being admitted to the United Nations in order to achieve greater “universality.” It is pointed out, however, that “A regime that claims to have become the government of a country through civil war should not be recognized until it has been tested over a reasonable period of time.”

This testing has indicated the ability, so far, of the Communist regime to maintain itself in power, although by ruthless, police-state methods. However, it is equally demonstrated that that regime does not possess the qualities which entitle it to speak for China in the United Nations, either in the Assembly or, much less, in the Security Council, which is empowered by all the members to have “the primary responsibility for the maintenance of international peace and security.”

Since *War or Peace* was written, there have occurred a number of significant actions by the Chinese Communist regime. It participated in the armed aggression against Korea. The United Nations has specifically condemned the Chinese Communist regime on this account, and has called for economic sanctions against that regime. This Assembly action has not, at this writing, been revoked. The Chinese Communist regime remains in military possession of the northern part of Korea in defiance of United Nations action. It has forcibly subjugated Tibet. It actively promoted the Indochina War. It threatened to take Taiwan by force and has declined to renounce the use of force in this area in accordance with the Charter Principle calling upon all members to refrain from the use of force other than in accordance with the Principles of the Charter. It encroached, with its armed forces, upon Burma. It violated the Korean Armistice by holding in captivity military personnel of the United Nations; and in violation of its own formal assurances, it has held in prison United States civilians.

So long as the United Nations Charter applies a qualitative test to participation in the United Nations (See Articles 4, 5, and 6), and so long as the Chinese Communist regime shows the characteristics which have been described, it ought not

to be given representation in the United Nations.

In conclusion, I would reemphasize the basic thesis of *War or Peace* that peace will only be won if there is constant effort to win it. Any relaxation in this effort brings with it peril.

Quincy Wright, in his *Study of War*, lists 278 wars fought between 1480 and 1941. This is an average of 3 wars every 5 years. Several of these wars, including World War II, were fought after the League of Nations was formed and after the Pact of Paris had pledged all the nations to abolish war. Also several wars have been fought since the United Nations was formed in 1945. These include the Korean War, the Indochina War, and the Israeli-Arab wars. There have also been the military acts of Britain and France in Egypt. Wars are today a threatening possibility in several parts of the world.

The fact is that war will be an ever present danger until there are better developed institutions for peace, such as an adequate body of international law, an international police force, and a reduction of national armaments. Today we live, and I fear for long shall live, under the shadow of war. Only if we are vividly conscious of this fact will we make the exertions needed to prevent war.

Let us recognize that war is not prevented merely by hating war and loving peace. Since the beginning, the peoples of the world have hated war and longed for peace. But that has not gained them peace. Even a sincere effort like the Pact of Paris showed the futility of attempting to abolish war without creating adequate and effective compensating institutions to replace it.

The fact is that love of peace, by itself, has never been sufficient to deter war.

One of the great advances of our time is recognition that one of the ways to prevent war is to deter it by having the will and the capacity to use force to punish an aggressor. This involves an effort, within the society of nations, to apply the principle used to deter violence within a community. There, laws are adopted which define crimes and their punishment. A police force is

established, and a judicial system. Thus there is created a powerful deterrent to crimes of violence. This principle of deterrence does not operate 100 percent even in the best ordered communities. But the principle is conceded to be effective, and it can usefully be extended into the society of nations. That, as we have seen, has actually occurred in an impressive measure.

Another aspect of the problem is that there can never, in the long run, be real peace unless there is justice and law. Even as I write there are grave injustices such as the servitude of the Soviet satellites and the division of Germany, Korea and Vietnam. But even if these injustices could be eradicated, the resultant condition would not be one to be perpetuated forever. Change is the law of life. New conditions are constantly arising which call for change lest there be injustice. Such injustices tend ultimately to lead to resort to force unless other means of change exist.

Those who love and want peace must recognize that unless they exert themselves as vigorously for peace as they do for victory, and as vigorously for justice as they do for peace, they are not apt to have either peace or justice. Peace is a coin which has two sides. One side is the renunciation of force, the other side is the according of justice. Peace and justice are inseparable. This is recognized by Article 1 of the United Nations Charter.

The task of winning peace and its necessary component, justice, is one which demands our finest effort. There must be a contribution from every nation, as we strive to institutionalize peace. Peace also depends on the effort of individuals as they help to mold their nation's policies and as they may themselves directly contribute to one or more of the many aspects of international endeavor.

There has been, heretofore, the lack of sustained and sacrificial individual and national efforts needed to save the world from war. Surely that is a lack which ought now to be made good, as war becomes a catastrophe too awful to be contemplated.

JOHN FOSTER DULLES



## The Soviet-Occupied Zone of Germany: A Case Study in Communist Control

*by Eleanor Dulles*

*Special Assistant to the Director, Office of German Affairs<sup>1</sup>*

Education with which you as a group are concerned is in considerable measure the formulating of significant questions and then the attempt to find answers. It is concerned with the manner in which past experience can affect the nature of man and his actions. There are presumed to be goals toward which the human race is pressing.

One of our main goals is seen in our present struggle to assure the largest possible degree of freedom for the development of man's highest potential. In all our efforts directed to this end we are inevitably concerned with those who are in bondage, partial or complete. We must from time to time appraise our situation and recognize those important questions which relate to our programs and to Soviet methods of controlling subject peoples.

Moscow, with the announced intention of extending the borders of international communism, has apparently developed its capabilities to a high degree but has reached discernible limits which will set the boundaries of its future effort. It is useful to ascertain not only how and where they have extended their power but also where their progress is checked. One such line of failure and area of defeat has been found already in Germany. Here success has been stopped far short of the Kremlin's goal, and failure at a number of points is evident. The major aspect of its gains and losses in this important country merit consideration at this time when German issues are recognized as of primary importance.

Three questions relating to Soviet control, which will affect not only the fate of Germany but of the entire world, are very much on our minds these days. They are complementary aspects of Moscow's capacity to manage the peoples and territories which they wish to hold in their Communist empire. One is their ability to develop a unity and cohesion between different nations and different races. A second is their capacity to industrialize and exploit the economic potential of the territories they dominate at a pace comparable to expansion in the free world. The third is their ability to develop through training, education, and indoctrination the human resources of the millions under their rule.

It is especially interesting to watch their performance in Germany, where the line of their control cuts the country into two widely different areas. In the West their failure to gain influence or to develop exchanges of goods and ideas has been conspicuous. In the East Zone of occupation the matter is more complex and warrants careful examination.

At the present time no final answer can be given as to Soviet accomplishments and defeats in East Germany. It is evident, however, that the consequences of Soviet action there have had a profound influence not only on the Germans but also on others throughout the world. The unwillingness of the people to be absorbed into the Communist system is impressive. This is of special significance after the recent events in Poland and Hungary. The limits to Soviet effectiveness in Germany are noteworthy. In respect to the questions we are considering, the balance between the political, economic, and psychological

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<sup>1</sup>Address made before the Buffalo Federation of Women's Clubs at Buffalo, N.Y., on Mar. 27 (press release 174 dated Mar. 26).

gains and losses suggests the possibility of Soviet failure to hold their present alarming farflung power here or elsewhere. A firm belief now that the Soviet-occupied zone will sometime be free can strengthen understanding and action.

The judgment of the degree of Soviet strength and weakness and the probable duration of their rule, which we are considering here, would clearly differ from country to country. Generalizations to apply to all of them are not justified in the light of the wide variation to be found in different cases. The example of East Germany derives its special interest not only because of its peculiar importance in Western strategy but also because of the large volume of information which is available to us and that throws light on Soviet behavior everywhere. It has a direct bearing not only on the solution of German problems but on world security problems.

### **Crucial Role of Berlin**

In strengthening of resistance and in its sources of information the city of Berlin continues to play a crucial role. The zone, a large and important territory with 17 million Germans now more than a decade under Soviet domination, is to some extent open to study and inspection. More facts are available from the East in and through Berlin and are subject to check for their validity than from other Communist-ruled areas. The varied means of communication, the travel back and forth, and the interchange of letters and personal contacts of all types are greater in volume and significance than for any other European satellite.

Here, in the center of the zone, the direct contacts between people in the West and in the East affect practically every resident of the Soviet-occupied area of Germany. More than 3 million persons and perhaps more than 5 million come to West Berlin and to West Germany every year. In some months the estimates of visitors have been in excess of 700,000. Some of the visits are short—people coming to West Berlin for a look at the industrial fair, for the annual agricultural show held during the Green Week, for the cultural or film festivals. Others are longer visits to relatives and friends and visits by students and businessmen. Some come as strangers seeking new friends and new ways to learn of the West.

The results of these visits to Berlin and the

Federal Republic, and also of thousands of trips from the West to the East, are a considerable mass of information, many impressions and reports of events and policies. For example, when statistics of agricultural production are published, they can be tested against common knowledge as to the potato harvest, grain yield, crop conditions, and food rationing. In this area, perhaps better than anywhere else, the Iron Curtain is only an open grill—the view of what is going on is there for all to see.

Because we can learn much from this, we are impelled to examine the facts and appraise the nature of Soviet management and control. The results of this study can contribute in a significant manner to the understanding of where the Soviets stand in relation to the satellites and what directions they may decide to take in the future. The conclusions reached may not be encouraging, but at least they can help to outline the course of future action for the West. In any case, to the extent that they approximate a true appraisal, such a review is bound to be useful.

Although for political and administrative purposes East Berlin is incorporated into the zone, it has special problems and characteristics. Since it is still part of the city, half slave and half free, it places in sharp contrast Soviet management and control. This situation must be considered separately from the zone.

The city, East and West, technically speaking is still a four-power occupied area. West Berlin is not a part of the Federal Republic in a legal sense although psychologically and economically it is almost like an eleventh *Land* or province of the western sovereign state of Germany.

In the Pankow district of East Berlin, closely integrated with East Germany, is the seat of the puppet government, a government called by the Soviets free of their control. Actually, it is rigidly held under Russian armed force through Communist German agents. It is separated from West Berlin by only a thin line of occasional border watchers and a few large signs and notices indicating changes in jurisdiction.

In spite of the many close relations between the different parts of the city, the political differences as one crosses the narrow line of demarcation are as great as those between Hungary and Austria. Over this 37-mile sector border across the town pass as many as 100,000 persons each day. Few



are stopped or questioned. Approximately 45,000 are regular workers, border crossers who live in one political area and work in another, going freely to and fro. Only occasionally are they questioned—usually the reason is that they carry a package or brief case. In rare instances they are searched by the Eastern police for Western deutchemarks, the money which they are not supposed to have on their persons. More often the large numbers of students, casual visitors, merchants, relatives of West or East Berliners, visitors to concerts and museums, moviegoers or persons seeking to buy a pound of butter or a pair of shoes in the West move unhindered. In the case of those going to the East there are also no barriers. There are visitors to relatives or friends or even occasionally persons in search of antiques or special objects like cameras offered for sale in the East.

There is a sense of almost physical pressure of one system on the other. Soviet prestige suffers from this traffic, but it would suffer also if it were stopped by force.

#### **Contrast Between East and West**

As a result of this movement back and forth, the contrast between East and West and the great difference in the standard of living is always evident to everyone. Moreover, the presence of the Allied occupation forces and their support of the city is visible and daily apparent. This makes it virtually impossible for the Soviets to take the risk of severing the city. Berlin cannot be absorbed into the bloc.

In spite of the ring of Communist might around the East sector of Berlin there is no sense of cohesion with the Kremlin. The rejection of its occupiers in the minds of the people is almost complete. The attempts of Moscow to shift responsibility and prestige to the Pankow government installed in East Berlin, surrounded and protected as it is by the 22 military divisions stationed in the immediately adjacent areas, has not been convincing to the Germans anywhere, either in the East or in the West. One can conclude that their administration of the East sector of the city and its economic and political potential has been only superficially successful.

It is reliably reported by the foremost German experts on the subject that the puppets of the

Soviets holding their brief authority by bribes, threats, and blood money are more hated by the Germans than are the Russians, who are acting on the basis of a more recognizable set of power objectives. Thus under present conditions normal relations are not possible between the East German instruments of the Soviet ruler and their oppressed subjects. Similarly, the East German authorities in Berlin have little official contact with the Western World.

The principal financial advantages to the Russians of holding East Berlin are negligible. In the light of conditions in East Berlin one can question whether economic resources of the city have been used efficiently or benefit significantly the economic interest of the East Zone. The sterility of the Soviet occupation is evident. Equally apparent is the significance for Communist aims of denying the city to the West. Even though it can be assumed that the cost of holding the Soviet sector by force since the time of the blockade and the split of the city outweighs any direct benefit derived from its production or trade, the purely strategic and prestige reasons remain predominant, but the performance of the Soviets has not been impressive.

The residents of the eastern part of the city are in a peculiar position. They have the advantages of constant refreshment in the western sector of the city and opportunities to buy the many essential commodities, including food and clothing. While living under the Communist regime they gain the stimulus of the free air and the dynamic activity of the western part of the city, busily restoring its physical plant and its cultural life. Thus they are not totally subject to the rule or the living standards of the satellites or of Russia. They can stay on from day to day knowing escape is always possible.

Berlin is thus a major reason for and an outstanding example of the failure to integrate East Germany into the Soviet bloc. The city makes this part of Soviet conquest and control different from other areas but in some ways even more significant. The management of the zone demonstrates, for example, the oppressive nature of the effort to bring conditions into line with Moscow. It shows how much force is needed to keep the reins tight in a situation where there are steady and dependable channels of communication when people under one system remain in close contact with people under vastly different political and philo-

sophic systems. It is somewhat paradoxical that the very conditions that increase the resistance potential also lessen the danger of violent explosion. This danger is generally conceded to be less than in several of the more enclosed areas. This is the current forecast even though the German spirit of resistance in the East is constantly nourished and clearly manifest in many ways.

### **Exploitation of Potential Assets**

Perhaps more rewarding, however, is the attempt to examine the wider extent and the more comprehensive efforts of the Communists in the considerable territory of 41,000 square miles with the 17 million people who live in the East Zone. Here there are substantial assets to exploit. Here are the large uranium deposits. These are now being used exclusively for the benefit of the Soviet atomic program. Here are the substantial soft-coal mines, heavy and light industries, universities, and highly urbanized areas of Leipzig, Dresden, Weimar, Magdeburg, and other centers. Here is a tradition of effective management and productive labor. The question is, how have the Soviets used these potential assets and to what extent have East Zone resources helped them in their objectives?

From the point of view of political international relationships little has been accomplished. They have built up an uneasy and limited set of contacts with the bloc and a few nonsatellite nations. The few links between the Communist-created East German government and nations outside the Soviet bloc are uncertain, insecure, and relatively unproductive. There is little likelihood that the concerted drive to increase the number and scope of trade and other treaties since the Soviet declaration of East German "independence" on September 20, 1955, will have any real success. A major reason for the inability of the Communist regime in East Germany to develop diplomatic relations has been the vigilance and strength of the Federal Republic in Bonn.

For one thing the zone has now too little to offer in the way of exports. For another there are many apparent pitfalls in the way of alliances between a puppet government and free nations. As long as the Communists use force to maintain their position in East Germany, those who make ties with their chosen instruments of Communist policy will be anxious for fear the

authorities will be changed or liquidated and the agreements collapse. The strong democratic nations of the non-Communist world are bound to hesitate before making pacts with those who are not able to act independently of Moscow.

If trade treaties on an *ad hoc* basis are concluded, as they have been in nine cases, they will be almost inevitably on the basis of short-run economic considerations with an eye always to the uncertain future. If the trade is not productive, there will be little reason to attempt to work out mutual adjustments. Agreements based on the expectation of long and dependable interchange cannot be reached easily where there is no tradition and no political philosophy to indicate a future interchange of goods on a basis of sound reciprocity.

Where uncertainty exists as to the nature of the leadership of future governments and the status of relations with Moscow, the links cannot bind closely and the relationships are fragile. Thus the nine agreements as of early 1957 between the German Democratic Republic and nonsatellite governments constitute, both in scope and number, a feeble accomplishment in the light of the effort and intention.

### **Lag of East Zone Economy**

In the case of East Germany the economic exploitation by the Soviets falls far short of their plans and leaves the people at a lower standard of living than any other comparably industrialized area. Even by their own reports the 5-year goals have not been reached. The Soviets have not demonstrated there any significant capacity to exploit the resources by force or to take advantage of the opportunities by a doctrine and a method acceptable to the workers and managers in the zone. There is no sign that the Communist approach has led to productivity or inventiveness.

The Soviet rulers have had 12 years in which to develop momentum. Capital-goods production is behind schedule. Consumer goods are in short supply. There one finds clearly another indication of the difficulties which face the Kremlin in managing alien lands.

The reconstruction of the East German economy after the war would not have been easy in any case. It was made more difficult because at the outset there were the crippling removals of



equipment and raw materials by Russia. Factories were stripped of machinery. Rolling stock, trucks, and capital assets of a wide variety of types were taken from the country. The trains moving eastward were loaded with machine tools and heavy equipment. Electrical machinery and other valuable assets were taken away which were to be sorely missed when the time for rebuilding the economy came. Estimates of the amount of material wealth removed indicate that it was in excess of 15 billion dollars' worth at the time it was taken away. Little is known of the manner in which equipment was reinstalled or of the use made of those capital instruments by the Russians. Much can be said about the damage these removals caused to the East German economy.

The more significant, if perhaps not so clearly apparent, reason for the lag of the East Zone economy behind comparable areas in general and behind West Germany in particular is the lack of contractual arrangements. Under this system there is no effective business responsibility or motive to produce. Here we see an economy which has reached an advanced state of professional proficiency, with a highly skilled labor force and reasonably good natural resources, forced ruthlessly into the Communist mold.

Approximately 70 percent of the industry is said to have been communized already. A much smaller segment of the agricultural land is in the so-called cooperatives. New private ventures are virtually ruled out. All the industry which remains outside state control is starved for the lack of capital and is in a disadvantageous position as regards maintenance and access to adequate labor supply.

The question arises naturally in the minds of workers and supervisors of labor—for whom are they working? The answer is bound to be “for the Soviets.” Cooperative effort to build up state enterprises could only be expected to stimulate vigorous effort on the part of labor and capital if the authorities themselves have goals which are acceptable. In the lack of such incentives and loyalties, productive effort is balanced constantly against the immediate cost and man is apt to limit his effort to work “for bread alone.”

This sense of futility has in fact prevailed throughout the zone. As far as one can discern, Soviet armed force and dire need of the people are the bases for economic effort. Few of the usual motives appear to be operative. The short-

run considerations which determine the kind of work and the amount of energy that goes into the assigned tasks are those which relate to survival and not those which develop from the hope of a large-scale and impressive building of a sound and dependable economic system.

### Refugees “Vote With Their Feet”

The most striking evidence of the failure of the regime to give the people the elemental satisfactions which the Communists have continuously promised to the masses has been the unending stream of refugees from the Soviet-occupied territory to the West. The steady flow of workers and professional men, of farmers and laborers, from the workshops, the farms, and the mines of East Germany is the kind of public-opinion poll that no one can ignore. It has been said that close to 2 million refugees have voted “with their feet.” This large number of voluntary exiles have staked their hopes and their lives on the belief that they can live and work according to their standards and principles only in the West. They have rejected the methods and the aims of the Communist regime which they have come to know so well.

It is not easy to be a refugee. Almost every man of feeling is attached to the place which he calls home. The very shape of the hills, the smell of the meadows and the woods, the curve of the rivers, which he has known from his earliest childhood, are part of his well-loved birthright. To leave all this for unknown cities and an unfamiliar countryside, to be separated from his neighbors and his friends, and to seek new dwellings and new employment is not easy. One cannot take lightly the meaning of this large-scale and continuing migration.

While the Kremlin may not understand the meaning of this migration, for those who hear the story at the various Berlin and Federal Republic reception centers there is an unforgettable impression of the profound disappointment in the cultural life and conditions of work which they have found in the last 12 years. It is not so much the lack of food and clothing, though conditions in this respect still leave much to be desired, but more the climate of human relations and pressures applied in all their work, the lack of choice, the inability to seek one's own place in the system and shape one's life in a spirit of hope and freedom which lead to despair. These motives and

the protests against the Communist regime indicate the core of the Communist dilemma.

Time factors plague the Communists in their administration of the Soviet-occupied zone of Germany. The improvement so far achieved in economic affairs has been much slower than elsewhere in Europe. The political developments in the zone have failed to establish the authorities there on a firm basis. The cringing dependence on the Soviet authorities of all the high officials and their inability to speak except as instructed have been evident not only to all Germans but also to the world at large. Meanwhile, the rejection of Russian communism has been so complete that there is danger of serious depopulation. Already almost 15 percent of the population has left as voluntary expatriates from their homes. The labor shortage is severe and hampers economic progress.

Thus the three questions which are significant indications of the Soviets' capacity to rule the area can be given tentative answers. The slow gains at some points are more than offset by losses at others which hamper improvements in the standard of living and prevent East German acceptance of the regime. The individual deprived of his legal and political rights is fearful, uncooperative, and hostile to the occupying powers. If the 400,000 soldiers were withdrawn, the Communist facade would collapse overnight. The area is staunchly German and relatively unaffected by alien doctrines to which it has been exposed. Russia has developed no alliance here, but it has added to the number of potential enemies at a cost which is likely to increase in goods and effort if they are to keep the potential resistance under control.

There are time factors which disturb the Western allies as they consider conditions in the East Zone. There is inevitably some erosion of the spirit as pressure on the individual continues from month to month. There is bound to be disillusionment over the inability of the Federal Republic and the Western World to win their freedom. Institutions, even though unpopular and oppressive, have a tendency to become a part of the day-to-day fabric.

Thus, in some measure even the failures of the Russians in this area complicate the problems for the Western World. The Communist dilemma of more oppression or costly aid is to some extent

paralleled by the urgent problems of the free world. Our efforts to manifest our understanding, aid to visitors from the East, assistance to refugees, are of the greatest importance.

Above all, the development of the North Atlantic Treaty alliance and closer European economic cooperation through the common market and EURATOM can create the conditions of strength from which eventual German reunification will come. The moment of opportunity lies ahead. It will come the sooner because the Russians know that those who live in the East Zone have not accepted their system. It is the more certain because of the millions who, despite almost overwhelming inducement, have kept the faith and stood firm. Who can say what would be the circumstances in East Germany in 20 years if the Russians were to remain? It would be a bold and not a wise man who would venture to predict the results of long-continued occupation. As of the present, however, there is no record of success. No achievement in the economic field, no winning over of the people, no brilliant diplomatic accomplishments can encourage the Kremlin in its shaping of future policy toward Germany.

## **U.S. Asks Dominican Government To Reopen Gerald Murphy Case**

### **DEPARTMENT ANNOUNCEMENT**

The Department of State announced on March 16 (press release 150) that it had instructed the Embassy at Ciudad Trujillo to deliver a note to the Dominican Government in reply to a communication from that Government submitting various documents and other evidence concerning the disappearance in December 1956, in the Dominican Republic, of Gerald Lester Murphy, a U.S. civilian aviator.<sup>1</sup>

The documents submitted with the Dominican note included an official report by the Attorney General of the Dominican Republic that Mr. Murphy had been killed by Octavio de la Maza, a

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<sup>1</sup> For background, see BULLETIN of Feb. 11, 1957, p. 221, and Mar. 4, 1957, p. 349.



Dominican airline pilot. A suicide note, attributed to Mr. de la Maza and containing a statement that he had killed himself in remorse over the death of Mr. Murphy, was included in the Dominican documentation.

#### **TEXT OF U.S. NOTE**

No. 382

The Embassy of the United States of America presents its compliments to the Department of State for Foreign Affairs and Worship and has the honor to acknowledge its Note No. 3351 of February 9, 1957 transmitting the following documents in connection with the disappearance of Gerald Lester Murphy:

1. Report by the Attorney General of the Dominican Republic.
2. Photostats of the suicide note attributed to Octavio de la Maza accompanied by photostats of known specimens of his handwriting.
3. Analysis of de la Maza suicide note by Professor Manuel Ferrandis Torres of the University of Madrid concluding that the de la Maza suicide note is authentic.
4. Final disposition of the Murphy case by the examining magistrate concluding that he was murdered by de la Maza and must be presumed dead.
5. Final disposition of the de la Maza case by the examining magistrate concluding that he committed suicide after having murdered Murphy.
6. Interrogations by the examining magistrate in connection with the Murphy and de la Maza cases.
7. Miscellaneous reports related to the Murphy and de la Maza cases including medico-legal and autopsy reports on de la Maza.

From examination of these documents and other evidence, this Government has concluded that if the specimens of handwriting submitted by the Dominican authorities as being of de la Maza are actually his, then the suicide note was not written by de la Maza.

Furthermore, this examination reveals a contradiction between the report of the Dominican Attorney General which states that Murphy's "political influence" in the Dominican Republic

was the "object of investigation without anything serious being produced to justify it" and other available information. Our investigations indicate that Murphy was well acquainted with high Dominican officials, among them the late Colonel Salvador Cobián and Brig. General Arturo R. Espaillet.

It would also appear that Murphy's income while in the Dominican Republic must not have been limited to the \$350 per month salary which the Dominican Attorney General states he earned as a co-pilot for the Dominican Aviation Company (CDA). Our investigations have confirmed statements made by several American CDA pilots to the Dominican authorities that Murphy, in the words of one of them, "had more money than the rest of us" and that he owned two cars, one in Miami and one in Ciudad Trujillo. As far as is known, Murphy had no income of record in the United States during the period of his employment in the Dominican Republic. The Government of the United States is gravely concerned about the disappearance of one of its citizens in the Dominican Republic. It assumes that this concern is shared by the Dominican Government.

In view of the foregoing observations and other evidence which it has developed within its domestic jurisdiction, the Government of the United States considers the case of Gerald Lester Murphy as unsolved. The Dominican Government is urgently requested to reopen and vigorously pursue its investigation of the disappearance of this citizen of the United States.

The Embassy of the United States of America avails itself of this opportunity to renew to the Department of State for Foreign Affairs and Worship the assurances of its highest consideration.

CIUDAD TRUJILLO, D.R.,  
*March 16, 1957.*

#### **Polish Coal Mining Officials Visit United States**

Press release 165 dated March 21

On March 22 a delegation of eight Polish coal mining officials will arrive in the United States for a 3-week tour of principal mining facilities in the coal-producing States east of the Missis-

sippi. The tour has been arranged and will be conducted by the National Coal Association.

The Polish visit is in accordance with an agreement between the Department of State and the

Polish Embassy for the exchange of delegations of coal mining experts. It is anticipated that a reciprocal U.S. delegation will visit Poland later this year.

## International Cooperation in Climatology

### SECOND SESSION OF COMMISSION FOR CLIMATOLOGY OF WORLD METEOROLOGICAL ORGANIZATION

*by Helmut E. Landsberg*

From January 14 to 25, 1957, the Government of the United States acted as host to the Commission for Climatology (CCI) of the World Meteorological Organization (WMO) at Washington, D.C. The WMO is one of the specialized agencies of the United Nations. Much of its work is accomplished by technical commissions, of which CCI is one.

The history of formal international cooperation in climatology goes back to 1872, when the International Meteorological Committee, an early predecessor of WMO, met at Leipzig and placed on its agenda several items dealing with standardization of climatic practices. In 1929 the International Meteorological Organization, the immediate antecedent of WMO, created the Commission for Climatology, which has met at regular intervals except for the World War II interruption. This was its second session since the WMO took over the functions of these earlier groups.

For the past 7 years the Commission has had, as president, C. W. Thornthwaite of the United States, a world-renowned research worker in the

field of climatology and director of the Laboratory of Climatology of the Drexel Institute of Technology, Centerton, N.J. Under his chairmanship the first plenary session of the current meeting was addressed by Francis O. Wilcox, Assistant Secretary of State for International Organization Affairs. Mr. Wilcox welcomed the delegates to Washington and stressed the importance of the work the specialized United Nations agencies are doing for the promotion of constructive international cooperation and for the creation of better standards of living everywhere.<sup>1</sup> Further welcome was extended by F. W. Reichelderfer, Chief of the U.S. Weather Bureau and former president of the WMO. Dr. Reichelderfer, who is the permanent U.S. representative to the WMO and a member of its Executive Committee, called attention to some of the important tasks before the Commission, among which are the problems of water supplies, drought, and long-range climatic trends.

#### Delegates and Activities at Second Session

The following 24 member nations of WMO sent delegates to the second session:

|           |                     |
|-----------|---------------------|
| Australia | Byelorussian S.S.R. |
| Belgium   | Canada              |
| Brazil    | Cuba                |

<sup>1</sup> For text of Mr. Wilcox's remarks, see BULLETIN of Feb. 4, 1957, p. 197.

● *Dr. Landsberg, author of the above article, is Director of the Office of Climatology of the U.S. Weather Bureau. He served as principal U.S. delegate at the second session of the WMO Commission for Climatology.*



|                              |                                     |
|------------------------------|-------------------------------------|
| Dominican Republic           | Poland                              |
| France                       | Sweden                              |
| Germany, Federal Republic of | Thailand                            |
| Ireland                      | Ukrainian S.S.R.                    |
| Israel                       | Union of Soviet Socialist Republics |
| Korea                        | United Kingdom                      |
| Mexico                       | United States                       |
| Netherlands                  | Uruguay                             |
| Norway                       | Venezuela                           |

Two nonmember nations, Albania and Liberia, sent observers.

There were also observers from the International Civil Aviation Organization (ICAO), the Food and Agriculture Organization (FAO), the World Health Organization (WHO), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and from six other international technical organizations. A group of 11 invited experts, associated with universities and research institutions, joined the deliberations on technical problems.

The official U.S. delegation was composed of H. E. Landsberg and H. C. S. Thom of the U.S. Weather Bureau and Woodrow C. Jacobs of the Air Weather Service, U.S. Air Force. They were aided by nine advisers from the Office of Climatology of the Weather Bureau, the Directorate of Climatology of the Air Weather Service, and the Aerology Branch of the Navy.<sup>2</sup> Secretariat services were handled by the Office of International Conferences of the Department of State. The Wmo secretariat was represented by K. Langlo and O. M. Ashford from the headquarters of the organization at Geneva. Their technical assistance throughout the conference contributed greatly to the success of the session.

Most of the work of the Commission was handled in two committees. The first committee dealt with climatological regulations, requirements, rules, and practices, while the second concerned itself with research problems and applied climatology. A lengthy agenda of 6 administrative and 15 major technical items was handled. The heavy work schedule, which often required late working hours, was relieved by an interesting program of social and scientific events. Among the technical attractions was a tour of Weather Bureau facilities in the Washington, D.C., area, including a visit to the weather center in Suit-

land, Md., where a large electronic computer has become one of the great modern aids in weather forecasting. An exhibit of weather instruments and equipment which had been arranged in the lobby of the U.S. Department of Commerce building formed another feature of interest to the delegates.

The president of the Commission had arranged for six scientific lectures by delegates and invited experts. These were presented during two afternoon sessions and dealt with some of the latest technical advances and problems. Many of the delegates also attended an evening meeting of the District of Columbia Branch of the American Meteorological Society and the national meeting of this society at New York City after the close of the session. In addition, the Weather Bureau arranged for an inspection trip to the National Weather Records Center in Asheville, N.C., after the session. This is the greatest depository and processing center of climatological data in the world, with a library comprising 300 million weather observations. Twenty-two foreign delegates spent 2 days inspecting this facility and its newest electronic equipment.

#### **Worldwide Inventory of Climatic Conditions**

The final results of the meeting were contained in 10 resolutions and 9 recommendations to the Executive Committee of the Wmo. The primary results, when implemented, will be modernization and modification of international practices in climatology. These will be of considerable practical benefit. Uniform procedures are a virtual necessity in the mapping of weather elements, which obviously have no regard for national boundaries. A worldwide effort toward an inventory of the climatic conditions in the form of a climatic atlas is also to be undertaken under a unified system of standards. Such an atlas should contribute significantly to economic betterment since temporarily or permanently adverse aspects of climate underlie much of the world's trouble. Floods, droughts, and hurricanes are among the prime causes of human disaster. Adequate statistics on these as well as the less frightening but equally important elements of temperature and rainfall have to be compiled. They are basic material for agricultural planning, for major projects of reforestation, and for irrigation and hydroelectric schemes.

<sup>2</sup> For a Department announcement of the U.S. delegation to the second session, see *ibid.*, Jan. 28, 1957, p. 153.

Of basic importance is a continuous watch on trends in the climatic elements, both from natural and, perhaps, artificial causes. Among the last are the possible climatic changes induced by large-scale river basin developments. One of the questions before the Commission was whether such changes might be adverse. It was the considered opinion that such developments would have only minor local effects and that these would probably be beneficial rather than detrimental. In view of the widespread international interest in such questions, the Wmo secretariat was urged to publish a technical note for general information, based on the experience of various member nations.

In recognition of the fact that water resources are among the most critical problems confronting many nations or areas, a number of discussions centered around hydrological questions. In particular, the procedures to measure water income in form of snow and water loss by evaporation came under scrutiny. Recommended procedures resulted in draft chapters for the "Guide to Climatological Practices." This will be a book containing advice on the best techniques at present available to climatologists. Considerable draft material for this text was accumulated and reviewed during the session. The final drafting and editing will be in the hands of a small working group of the Commission.

The climate of the upper air, especially over the oceans, is of vital interest to international air traffic. Specifically, the frequency of encounters with hazards such as icing and severe turbulence is of concern to every airline. Inflight weather reports are regularly filed with the meteorological services, but there has been a need for statistical studies to handle and analyze this information. These studies will be initiated under a recommendation of the Commission.

Just before World War II a telecommunication exchange of monthly temperature and rainfall values was begun. It was thought that this information, if collected on a worldwide scale, would help long-range weather forecasting. After an interruption by the war, this project was resumed with the cooperation of many nations. Currently the data thus gathered are published by the U.S. Weather Bureau under Wmo sponsorship in a bulletin entitled *Monthly Climatic Data for the World*, which has proved to be of considerable economic value. Such questions as "Are frosts

damaging the Brazilian coffee crop?", "Is a drought developing in Australia?", or "Did the monsoon bring normal amounts of rainfall to India?" can be readily answered. The present session of the Commission reviewed the procedures for both the radio messages and publication of the data. A scheme for a better network of stations was prepared, and a plea for universal cooperation was made. In view of the general desire for this uniform collection of climatological information, a further expansion of the scheme to all member nations of the Wmo can now be expected.

The exchange of views on scientific matters at the session was particularly helpful. Latest developments in the various countries were reviewed. Some of them were presented in the scientific lectures which became part of the session's documentation and will therefore be available to all member nations. Others were presented in the form of national progress reports. These will be condensed by the secretariat of the Wmo into a technical note.

Among the final actions of the Commission was the election of officers for the next 4-year period. Dr. Thornthwaite, who under the rules could not be reelected, was succeeded as president by R. G. Veryard of the United Kingdom. C. C. Boughner of Canada was elected vice president.

## Current U.N. Documents: A Selected Bibliography

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Commission on Human Rights. Periodic Reports on Human Rights and Studies of Specific Rights or Groups of Rights. Note by the Secretary-General. E/CN.4/734, January 24, 1957. 4 pp. mimeo.

Commission on the Status of Women. Advisory Services in the Field of Human Rights. Report by the Secretary-General. E/CN.6/294, January 24, 1957. 4 pp. mimeo.

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# Statute of International Atomic Energy Agency Transmitted to Senate <sup>1</sup>

## PRESIDENT'S MESSAGE OF TRANSMITTAL

THE WHITE HOUSE, *March 21, 1957.*

*To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I am attaching herewith a certified copy of the Statute of the International Atomic Energy Agency.<sup>2</sup> I also transmit for the information of the Senate a report addressed to me by the Secretary of State in regard to the statute, together with certain related papers.

When the Statute of the International Atomic Energy Agency was open for signature at United Nations Headquarters in New York for 3 months, from October 26, 1956, to January 24, 1957, it was signed in behalf of the United States of America and by 79 other nations. It is the product of almost 3 years of negotiations, beginning with my address to the United Nations on December 8, 1953.<sup>3</sup> There I expressed the profound hope of the American people, a hope shared by people throughout the world, that means could be found to harness the atom to the labors of peace.

Today, in the grim necessity of preserving the peace, the free world must turn to the deadly power of the atom as a guardian of freedom and a prime deterrent to aggression. Yet the true promise of the atom is not for destructive purposes but for constructive purposes. And, in America, we can already see in atomic energy an enormous potential for human benefit: electric power, treatment of disease, and extraordinary service to agriculture, industry, and science itself. And this is but the beginning. There is every indication that we can look forward to even greater values of atomic energy in America.

The peoples of other nations also see great hope in the atom for the development of their economies and advancement of their welfare. They devoutly wish for ways and means of directing the atom to peaceful uses. There is widespread appreciation of the role the United States has already played in the great atoms-for-peace program to help many of these nations start their own atomic energy programs.

Now, in our proposal to the United Nations for the establishment of an International Atomic Energy Agency, we have answered the basic desire of many nations for an international body to which all may belong—a body in which all may safely pool their knowledge and skill for the advancement of all; from which all may draw knowledge, advice, and nuclear fuels to aid their individual efforts in developing the atom for peaceful employment.

This promise of increased well-being for the people of the world offered by the International Atomic Energy Agency is a major purpose of our proposal. Another is the extension of our fixed and unending determination to open and widen all possible avenues toward a just and enduring world peace. In promoting these purposes, the International Atomic Energy Agency would provide a practical meeting place—a common ground of cooperative effort among nations. Thus, through shared hope and work, the world would come to realize the immense possibilities of the atom for the benefit of all.

The statute and the Agency which it will establish hold promise of important progress in that direction. They constitute both a practical approach and a symbol of all that people of good will hope to see accomplished through the use of atomic energy. They offer the underdeveloped nations in particular an earlier availability of the benefits flowing from the constructive uses of the atom, and afford all countries the prospect of

<sup>1</sup> Reprinted from S. Exec. 1, 85th Cong., 1st sess.

<sup>2</sup> Not printed here; for text, see BULLETIN of Nov. 19, 1956, p. 820.

<sup>3</sup> *Ibid.*, Dec. 21, 1953, p. 847.

mutually stimulated scientific advance dedicated to the welfare of mankind.

To achieve the confidence essential to cooperation among members of the International Atomic Energy Agency, great care has been exercised to insure that fissionable material will be safeguarded to prevent its diversion to any military purpose. A comprehensive safeguard system is provided by the statute. This will apply to all aspects of the Agency's activity involving nuclear materials. A key part of this system is a plan of thorough international inspection. The United States will provide fissionable materials for Agency projects only as this safeguard system is put into effect. I am satisfied that the security of the United States will not be endangered by materials made available to or through this Agency. I should add that the United States is under no obligation to disclose secret information to this Agency.

Authority for directing the Agency will rest primarily in a Board of Governors. The method of choosing these Governors was considered with particular care. The formula finally agreed upon balances geographic considerations with the capacity of the cooperating nations to supply technical or material support to agency projects. This formula assures the protection of the interests of America and the free world. There is also reasonable assurance against entry into the Agency of nations which are excluded from the United Nations, and which were excluded from the Conference and from Agency membership by overwhelming vote on a number of occasions.

This statute is the work of many. It reflects the experience of those concerned with our Nation's efforts since World War II to relieve the burdens of armament for all people. It is consistent with the policies of our present Atomic Energy Act. It has profited by the addition of suggestions from bipartisan congressional hearings.

It is my firm belief that this statute, and the International Atomic Energy Agency provided by it, are in the present and future interest of our country. They have my wholehearted support. I urge early consent to the ratification of the statute, so that the United States which proposed the establishment of this new instrument of peaceful progress may be among the first to give it final approval.

DWIGHT D. EISENHOWER.

## REPORT OF THE SECRETARY OF STATE

DEPARTMENT OF STATE,  
Washington, February 21, 1957.

The PRESIDENT,

*The White House:*

I have the honor to submit to you, with a view to transmission to the Senate for advice and consent to ratification, a certified copy of the Statute of the International Atomic Energy Agency, which was open for signature at United Nations Headquarters in New York from October 26, 1956, to January 24, 1957, and during that period was signed in behalf of the United States of America and 79 other nations.

The purpose of this treaty is to establish an International Atomic Energy Agency pursuant to the atoms-for-peace proposal made by you in your historic address before the General Assembly of the United Nations on December 8, 1953. In that address you outlined your plan for an international agency, to be established under the aegis of the United Nations, with responsibility for finding methods to apply atomic materials to the abundant production of power and to the needs of agriculture, medicine, and other peaceful pursuits of mankind.

In the months following your proposal, discussions were undertaken among those nations having either developed resources of nuclear raw materials or advanced atomic energy programs. An eight-nation group, composed of representatives of the United States, Australia, Belgium, Canada, France, Portugal, the Union of South Africa, and the United Kingdom, worked early in 1954 to prepare a first draft of a statute for the proposed agency. The subject was thoroughly debated at the Ninth General Assembly in 1954. On December 4, 1954, the General Assembly of the United Nations by unanimous vote endorsed the proposal to create an International Atomic Energy Agency.<sup>4</sup>

A report on the progress of the negotiation of the statute was made to members of the Joint Committee on Atomic Energy in July 1955 and appropriate revisions were made in the draft statute on the basis of their comments.

On August 22, 1955, a draft statute<sup>5</sup> was cir-

<sup>4</sup> For text of the General Assembly resolution, see *ibid.*, Dec. 13, 1954, p. 919.

<sup>5</sup> For text, see *ibid.*, Oct. 24, 1955, p. 666.



culated to get the views of all members of the United Nations or of the specialized agencies, a total at that time of 84 states. The subject was again debated at the Tenth General Assembly in 1955, and a resolution endorsing the efforts of the negotiating group was unanimously adopted.<sup>6</sup>

On February 27, 1956, the working group, now expanded to 12 nations by the inclusion of Brazil, Czechoslovakia, India, and the Union of Soviet Socialist Republics, met in Washington at the invitation of the United States. This group worked to revise the draft statute. It considered, and often adopted, ideas and suggestions not only of the members of the drafting group but of other nations the world over from which comments had been received. The resulting draft,<sup>7</sup> adopted on April 18 by the working group reflected to a great degree the balance of views of a large number of states.

In June 1956 a further report on the progress of negotiations was made to members of the Joint Committee on Atomic Energy.

The document negotiated by the group of 12 nations was presented to the delegates of 81 nations at the opening of the Conference on the Statute of the International Atomic Energy Agency, which convened at United Nations Headquarters in New York on September 20, 1956. The United States delegation to that Conference was under the chairmanship of Ambassador James J. Wadsworth, deputy representative of the United States to the United Nations and United States representative for International Atomic Energy Agency Negotiations. It included congressional advisers, designated by the President of the Senate and the Speaker of the House of Representatives, as well as advisers from the Department of State and the Atomic Energy Commission. The Conference was presided over by Ambassador João Carlos Muniz of Brazil.

The Conference, at which the largest number of nations in history were gathered together, was distinguished by earnestness of purpose and understanding. Notwithstanding the complexity of the subject, and the newness of the field in which it was working, the Conference found it possible, at the end of 36 days of fruitful discussion and negotiation, to arrive at agreement

on the setting up of the International Atomic Energy Agency and its statute. The statute was opened for signature on October 26, 1956, and was signed on that date by plenipotentiaries of 70 of the 81 nations represented at the Conference. During the 90-day period during which, by its terms, the statute remained open for signature, it was signed in behalf of 10 other nations.

The statute provides for the establishment of an organization to assist the nations of the world in entering the atomic era. Created under the aegis of the United Nations, the International Atomic Energy Agency will function as an autonomous international organization and will establish an appropriate relationship with the United Nations consistent with the Agency's statute. The purpose of the Agency is to supply a means through which the promise of nuclear energy will be open to the benefit of all, to be utilized as an instrument of progress and peace.

To achieve its goal, the Agency will take advantage of the means that will be voluntarily placed at its disposal by member states. It will extend aid in the form of fissionable materials, source materials, special equipment, and technical assistance. The Agency's assistance will be based on agreements freely negotiated between governments and the Agency. Provision is made for controls and safeguards to ensure that fissionable materials made available through the Agency will not be diverted to nonpeaceful purposes and will not endanger the health of populations or individuals. The controls and safeguards are intended to guarantee the peaceful and safe utilization of materials supplied by the Agency, or used in Agency-sponsored projects, and of fissionable byproducts derived therefrom.

There is transmitted herewith a summary of the statute directed to its specific provisions. There is also transmitted a copy of the report submitted to the Secretary of State by the chairman of the United States delegation to the Conference on the statute. In addition, a copy of the communication dated October 25, 1956, to which reference is made in the statement accompanying the Venezuelan signatures to the statute, is included, together with a translation thereof.

It is planned that a draft Participation Act to provide for appointment of representatives of the United States to the Agency, and to make provision with respect to United States participation

<sup>6</sup> For text, see *ibid.*, Nov. 14, 1955, p. 801.

<sup>7</sup> For text, see *ibid.*, May 21, 1956, p. 852.

in the Agency, will be submitted to the Congress early in the present session.

It is earnestly hoped that the Senate will give prompt consideration to the Statute of the International Atomic Energy Agency and that the Congress will enact without delay the proposed Participation Act. Under your personal initiative the United States has been the principal advocate of an international organization designed to turn the mighty force of the atom from the devastation of war to the constructive avenues of peace. It is hoped that the United States may be among the first to ratify the Statute of the International Atomic Energy Agency and, by our leadership and support, help to ensure the success of that Agency from its inception.

Respectfully submitted.

JOHN FOSTER DULLES.

(Enclosures: (1) Certified copy of the Statute of the International Atomic Energy Agency;<sup>8</sup> (2) summary; (3) report by chairman of United States delegation;<sup>8</sup> (4) Venezuelan communication dated October 25, 1956, and translation.<sup>9</sup>)

## SUMMARY OF THE STATUTE

### ARTICLES I AND II

The statute upon its entry into force will establish the International Atomic Energy Agency, the basic objective of which is to seek to accelerate and enlarge the contribution of atomic energy to peace, health, and prosperity throughout the world without at the same time furthering any military purpose.

### ARTICLE III

The functions of the Agency set forth in article III of the statute are (a) to encourage and assist research on, and development and practical application of, atomic energy for peaceful purposes throughout the world; (b) to make provision for materials, services, equipment, and facilities needed to carry out the foregoing purpose; (c) to foster the exchange of scientific and technical information on, and the exchange and training of scientists and experts in, the peaceful uses of atomic energy; (d) to establish and administer safeguards to ensure that fissionable or other

materials, services, equipment, facilities, and information with which the Agency deals are not used to further any military purpose; (e) to participate in the establishment, adoption, and application of standards of safety for the protection of health and the minimization of danger to life and property from activities in the field of atomic energy; and (f) to acquire or establish any facilities, plant, and equipment useful in carrying out its authorized functions.

In carrying out its functions, the Agency is required by the statute (a) to conduct its activities in accordance with the purposes and principles of the United Nations and, in particular, in conformity with United Nations policies furthering the establishment of a safeguarded worldwide disarmament; (b) to control the use of such fissionable materials as are received by the Agency so as to ensure that they are used only for peaceful purposes; (c) to allocate its resources so as to secure efficient utilization and wide distribution of their benefits throughout the world, bearing in mind the special needs of the underdeveloped areas; (d) to submit annual reports on its activities to the General Assembly of the United Nations; (e) when appropriate, to submit reports and information to the Security Council, Economic and Social Council, and other organs of the United Nations; (f) to refuse to give assistance to member countries under political, economic, military, or other conditions that are inconsistent with the statute; and (g) subject to the terms of any agreements that may be made between a state or group of states and the Agency, to give due observance to the sovereign rights of states.

### ARTICLE IV

Initial members of the Agency are to be states members of the United Nations or of any of the specialized agencies which signed the statute within 90 days after it was opened for signature and which deposit instruments of ratification. The following 80 states signed the statute during the period it was open for signature:

Afghanistan  
Albania  
Argentina  
Australia  
Austria  
Belgium  
Bolivia  
Brazil  
Bulgaria

Burma  
Byelorussian Soviet Socialist Republic  
Cambodia  
Canada  
Ceylon  
Chile  
China  
Colombia

<sup>8</sup> Not printed here.

<sup>9</sup> English translation only printed here.



|                                |                                                            |
|--------------------------------|------------------------------------------------------------|
| Costa Rica                     | New Zealand                                                |
| Cuba                           | Nicaragua                                                  |
| Czechoslovakia                 | Norway                                                     |
| Denmark                        | Pakistan                                                   |
| Dominican Republic             | Panama                                                     |
| Ecuador                        | Paraguay                                                   |
| Egypt                          | Peru                                                       |
| El Salvador                    | Philippine Republic                                        |
| Ethiopia                       | Poland                                                     |
| France                         | Portugal                                                   |
| Federal Republic of<br>Germany | Rumania                                                    |
| Greece                         | Spain                                                      |
| Guatemala                      | Sudan                                                      |
| Haiti                          | Sweden                                                     |
| Honduras                       | Switzerland                                                |
| Hungary                        | Syria                                                      |
| Iceland                        | Thailand                                                   |
| India                          | Tunisia                                                    |
| Indonesia                      | Turkey                                                     |
| Iran                           | Ukrainian Soviet So-<br>cialist Republic                   |
| Iraq                           | Union of South Africa                                      |
| Israel                         | Union of Soviet Social-<br>ist Republics                   |
| Italy                          | United Kingdom of<br>Great Britain and<br>Northern Ireland |
| Japan                          | United States of Amer-<br>ica                              |
| Korea                          | Uruguay                                                    |
| Laos                           | Vatican City                                               |
| Lebanon                        | Venezuela                                                  |
| Liberia                        | Viet-Nam                                                   |
| Libya                          | Yugoslavia                                                 |
| Luxembourg                     |                                                            |
| Mexico                         |                                                            |
| Monaco                         |                                                            |
| Morocco                        |                                                            |
| Netherlands                    |                                                            |

Other states may become members of the Agency if their membership is approved by the General Conference upon recommendation of the Board of Governors. In making their recommendations and approvals, the Board of Governors and the General Conference are directed to—

determine that the State is able and willing to carry out the obligations of membership in the Agency, giving due consideration to its ability and willingness to act in accordance with the purposes and principles of the Charter of the United Nations.

#### ARTICLE V

The General Conference of the Agency is to be composed of representatives of all the members of the Agency, each member having one vote therein. The General Conference is to meet annually and in such special sessions as are called by the Director General at the request of the Board of Governors or a majority of the members of the Agency. Each member is to be represented at the sessions of the General Conference by one delegate who may be accompanied by alternates and advisers.

The General Conference is to have powers of discussion and recommendation on any matters within the scope of the statute. In addition, it is to elect 10 members of the Board of Governors,

approve states for membership, suspend members for persistent violations of the provisions of the statute (art. XIX), and consider the annual report of the Board of Governors. The General Conference is also to be responsible for approving, or recommending changes in, the budget submitted to it by the Board of Governors; approving reports to be submitted to the United Nations except reports to the Security Council of noncompliance with Agency safeguards (art. XII (C)); approving, or recommending changes in, agreements between the Agency and the United Nations or other organizations; approving rules regarding the exercise of the borrowing power, acceptance of voluntary contributions, and use of the general fund (art. XIV (F)); approving amendments to the statute; and approving the appointment of the Director General. The General Conference may make decisions on any matter referred to it for that purpose by the Board of Governors and may propose matters for consideration by the Board or request reports from the Board on any matters relating to the functions of the Agency.

#### ARTICLE VI

The Board of Governors is to have primary responsibility for carrying out the functions of the Agency. In particular, it is to have responsibility for determining the quantities of source materials, as defined in article XX, and other materials the Agency will accept and the use of such source and special fissionable materials as are made available to the Agency (art. IX); for approving projects for the peaceful use of atomic energy (art. XI); for imposing sanctions against members which do not comply with Agency safeguards (art. XII); for submitting to the General Conference an annual report (art. VI) and the annual budget estimates, apportioning administrative expenses among members in accordance with a scale to be fixed by the General Conference, and establishing periodically a scale of charges, for materials, services, equipment and facilities furnished to members by the Agency (art. XIV); for negotiating agreements establishing the relationship of the Agency to the United Nations and other organizations (art. XVI); for requesting, when necessary, special sessions of the General Conference (art. V); for designating nonelected members to the succeeding Board and for establishing necessary committees (art. VI); for ap-

pointing with consent of the General Conference the Director General (art. VII) ; and for preparing such reports as the Agency is required to make to the United Nations or other organizations (art. VI).

In forming the composition of the Board, the outgoing Board (or in the case of the first Board, the Preparatory Commission referred to in the annex to the statute) designates (*a*) the 5 members most advanced in the technology of atomic energy including the production of source materials; (*b*) the member most advanced in the technology of atomic energy including the production of source materials from each of the following areas not represented by the aforesaid 5: North America, Latin America, Western Europe, Eastern Europe, Africa and the Middle East, South Asia, South East Asia and the Pacific and the Far East; (*c*) 2 members from the following producers of source materials: Belgium, Czechoslovakia, Poland, and Portugal; (*d*) 1 other member as a supplier of technical assistance; in addition, the General Conference elects (*e*) 10 members, having due regard to the equitable representation on the Board of those areas listed above (category (*b*)) so that the Board at all times includes in this category a member from each of those areas except North America. Members designated under categories (*d*) and (*e*) (except for 5 members elected to the first Board) are ineligible for redesignation or reelection in the same category the following year. Each member of the Board has one vote, and decisions are taken by a majority of those present and voting, except for decisions on the Agency's budget which require a two-thirds majority of those present and voting.

#### ARTICLE VII

The staff of the Agency is to be headed by a Director General appointed for 4 years by the Board of Governors with the approval of the General Conference. He is to be responsible for the appointment, organization, and functioning of the staff, subject to the control of the Board of Governors and in accordance with regulations they adopt. The Agency staff is to be kept to a minimum. In recruiting the staff and determining the conditions of service, the paramount consideration is to be to secure employees of the highest standards of efficiency, technical competence, and integrity. Subject to that considera-

tion, due regard is to be paid to members' contributions to the Agency and to the importance of recruiting staff on as wide a geographical basis as possible.

The Director General and the staff are forbidden to disclose any industrial secret or other confidential information coming to their knowledge by reason of their official duties for the Agency. The international character of the responsibilities of the Director General and the staff are recognized.

#### ARTICLE VIII

Article VIII of the statute contains provisions for the exchange and dissemination of information relating to the nature and peaceful uses of atomic energy. It provides that each member should make available such information as would, in the judgment of the member, be helpful to the Agency, and requires each member to make available all scientific information acquired as a result of assistance extended by the Agency. The Agency is to make information thus acquired available in accessible form and to encourage the exchange of information among its members. The statute in no way requires a government to transmit classified information.

#### ARTICLE IX

Provisions governing the supply of special fissionable, source, and other materials by members to the Agency are detailed in article IX. Members are required to notify the Agency annually of the quantities, form, and composition of the materials that they will voluntarily make available to the Agency during the succeeding calendar year. The materials are to be supplied on terms agreed to between the Agency and the members supplying them. The Board of Governors is to determine the use to be made of materials supplied by members, and no member has the right to require the Agency to keep separate the materials that it supplies or to designate the specific project in which they may be used. The materials supplied may, in the discretion of the member supplying them, be stored by that member or by the Agency. The Agency is to be responsible for storing and protecting the materials in its possession, and, to that end, the Agency is required to establish or acquire such facilities (storage, laboratories, housing, etc.), safeguards, and health and safety measures as are necessary.



In addition to special fissionable, source, and other materials, members may make available to the Agency services, equipment, and facilities that may be of assistance in carrying out the Agency's projects.

## ARTICLE XI

Agency participation in projects for peaceful uses of atomic energy may be requested by any member or group of members. Agency participation takes the form of supplying, or arranging for the supply of, necessary materials, services, equipment, and facilities, as well as assisting in securing financial support from outside sources. A member or group of members requesting the assistance of the Agency is required to submit an explanation of the purpose and extent of the project and, in considering the request, the Agency may send qualified persons into the territory of the member or members making the request to examine the project. The Statute states specific criteria that are to be considered by the Board of Governors before approving a project: (1) usefulness and technical feasibility; (2) probability of successful completion; (3) adequacy of safeguards; (4) need for Agency assistance; (5) equitable distribution of materials and other resources available to the Agency; (6) special needs of the underdeveloped areas. In addition the Board is directed to consider "such other matters as may be relevant."

If the Board approves a project, an implementing agreement is concluded between the Agency and the member or group of members submitting the project. The statute requires that the agreement shall include provisions covering the following topics: (1) allocation of required special fissionable or other materials to the project; (2) transfer of such materials, under appropriate safeguards, to the member or group of members submitting the project; (3) terms and conditions on which any materials, services, equipment, and facilities are provided to the member or members submitting the project; (4) an undertaking that the assistance provided will not be used to further any military purpose; (5) the relevant safeguards applicable under article XII of the statute; (6) rights and interests of the Agency and of the member or members concerned in any invention or discoveries arising from the project; (7) settlement of disputes; and (8) such other provisions as the Board of Governors considers appropriate.

Article XII, dealing with safeguards, is crucial to the achievement of the Agency's objectives. It was debated at great length in the Conference that drafted the statute. By incorporating article XII in the statute, the Conference gave recognition to the need for safeguards designed to prevent source and fissionable material used or produced in Agency-sponsored projects from being diverted to use for military purposes.

The safeguards are applicable only "to the extent relevant to the project or arrangement" in question. For example, if the Agency were to supply radioisotopes for medical diagnosis, there would be neither occasion nor need for any safeguards other than those relating to the protection of health and safety. The first safeguard specified in article XII (A) gives the Agency the right and the responsibility to—

examine the design of specialized equipment and facilities, including nuclear reactors, and to approve it only from the viewpoint of assuring that it will not further any military purpose, that it complies with applicable health and safety standards, and that it will permit effective application of the safeguards provided for in this article.

Approval or disapproval of a design on the basis of criteria that are not relevant to the problem of safeguards would be improper under article XII, although it should be pointed out that questions of scientific and technical feasibility, etc., are to be considered by the Board of Governors in approving the project as a whole (art. XI).

The second listed safeguard, requiring observance of health and safety measures prescribed by the Agency, is aimed at the protection of life and property.

The third and fourth listed safeguards, dealing with the making of operating records and progress reports in order to insure accountability for source and special fissionable materials used or produced in Agency products, are necessary to prevent diversion to military purposes as well as to achieve sound management and administration.

The fifth listed safeguard provides that the means used for chemical processing of materials irradiated in an Agency-sponsored project must be approved by the Agency. It is necessary that the Agency have this right, for the dangers to health and safety and the possibility of diversion to military purposes during the chemical processing are great. The Agency is also given the right to require that any special fissionable ma-

terials recovered or produced as a byproduct of an Agency-sponsored project be used for peaceful purposes under continuing Agency safeguards or, if such byproducts are in excess of current needs for peaceful purposes, to require that they be deposited with the Agency until such time as the member or members concerned can put them to peaceful uses. These requirements provide the basis for preventing the accumulation by members of stockpiles of special fissionable materials from Agency projects. Such provisions are essential, since a stockpile honestly intended for future peaceful use is indistinguishable from one intended for future military use and could, in fact, be turned to military uses. However, the fact that a nation producing byproduct fissionable materials in an Agency-sponsored project cannot stockpile them itself does not mean that it cannot make full use of them for peaceful purposes at some future time, for the Statute expressly provides that such materials deposited with the Agency shall "at the request of the member or members concerned . . . be returned promptly . . . for use under" continuing Agency safeguards.

The sixth listed safeguard is inspection. After consultation with the state or states concerned, the Agency has the right to send into recipient states inspectors selected in accordance with the standards set forth in article VII. They are to be given access at all times to all places and data and to any person who by reason of his occupation deals with materials, equipment, or facilities which are required by the statute to be safeguarded, as necessary to account for source and fissionable materials and to verify compliance with the applicable health and safety measures, with the undertaking against use in furtherance of any military purpose, and with any other conditions prescribed in the agreement between the Agency and the state or states concerned.

The inspectors are also charged with the responsibility (art. XII (B)) for examining all operations conducted by the Agency itself in order to insure that the Agency's activities, equally with those of the recipient countries, comply with the appropriate health and safety measures and that adequate measures are taken to prevent source and special fissionable materials in the custody of the Agency or used or produced in its operations from being used in furtherance of any military purpose.

Subparagraph C of article XII spells out the procedures by which sanctions are brought to bear in the event of noncompliance with the applicable safeguards and undertakings. The inspectors report noncompliance to the Director General, who in turn transmits the report to the Board of Governors. The Board is required to report the noncompliance to all members of the Agency and to the Security Council and General Assembly of the United Nations. If the recipient state or states fail to take corrective action within a reasonable time, the Board may curtail or suspend Agency assistance and call for the return of materials and equipment made available to the state or states concerned. In accordance with article XIX, the Agency may also suspend any non-complying member from the exercise of the privileges and rights of membership.

#### ARTICLE XIII

Article XIII provides that, unless otherwise agreed upon between the Board of Governors and the member furnishing to the Agency materials, services, equipment, or facilities, the Board shall enter into an agreement with such member providing for reimbursement for the items furnished.

#### ARTICLE XIV

Provisions regarding finance are set forth in article XIV. Annual budget estimates for Agency expenses are to be prepared initially by the Director General and submitted by the Board of Governors to the General Conference for approval. If the General Conference does not approve the estimates, it may make recommendations to the Board so that the latter may submit further estimates.

Administrative expenses of the Agency will include costs of administrative staff, costs of meetings, expenses of preparing Agency projects and distributing information, together with such costs of implementing safeguards and of handling and storing special fissionable material as are not otherwise recoverable. The scale to be used in apportioning administrative expenses among the member states is to be fixed by the General Conference, which is to be guided by the principles followed in assessing contributions of member states to the United Nations budget.

The cost of materials, facilities, plants and equipment furnished by the Agency and expenses (other than administrative expenses) incurred in connec-



tion therewith are to be financed through charges. The scale of charges is to be worked out periodically by the Board of Governors. In addition, voluntary contributions received by the Agency may be applied, at the discretion of the Board of Governors, to meet such expenses. A separate fund is to be set up to receive the proceeds of the operational charges assessed against members. Out of this fund, members furnishing materials, services, equipment, or facilities are to be reimbursed and operational expenses of the Agency in connection with these items are to be met.

If the revenues of this type exceed operational expenses and costs, the excess is to be placed in a general fund, together with any unobligated voluntary contributions received by the Agency. The general fund may be used as determined by the Board of Governors, with the approval of the General Conference.

The statute provides also for borrowing powers on the part of the Agency. It makes clear, however, that members of the Agency are not legally or financially liable for repayment of the money borrowed.

A two-thirds majority of those present and voting is required for decisions of the General Conference on financial questions and of the Board of Governors on the amount of the Agency's budget.

#### ARTICLE XV

Article XV concerns legal capacity, privileges, and immunities to be enjoyed by the Agency in the territory of each member, and the privileges and immunities to be enjoyed by delegates, alternates, advisers, the Director General, and the Agency staff in exercising their official functions. Provision is made for special agreements on this subject between the Agency and its members.

It is anticipated that such privileges and immunities as may be granted in the United States will be pursuant to the International Organizations Immunities Act (22 U.S.C. 288 et seq.).

#### ARTICLE XVI

Establishment by special agreement of the relationship between the Agency and the United Nations is provided for by article XVI, with special reference to submission of reports to the United Nations and consideration of United Nations resolutions. The article also anticipates the establishment by special agreement of an ap-

propriate relationship between the Agency and other organizations with related interests.

#### ARTICLE XVII

Article XVII calls for reference to the International Court of Justice of disputes concerning interpretation or application of the statute, unless the parties concerned agree on another mode of settlement. In addition, the General Conference and the Board of Governors are separately empowered, subject to authorization from the United Nations General Assembly, to request the International Court of Justice to give an advisory opinion on any legal question arising within the scope of the Agency's activities.

#### ARTICLE XVIII

Amendments to the statute are provided for in article XVIII. Proposals for amendment may be made by any member and will be communicated to all members at least ninety days before being considered by the General Conference. Amendments come into force for all members when they have been approved by the General Conference by a two-thirds majority of those present and voting and have been accepted by two-thirds of all the members in accordance with their respective constitutional processes.

If a member is unwilling to accept an amendment to the statute, it may withdraw from the Agency by notice in writing to the depositary government. In addition, a member may withdraw for any reason at any time after 5 years from the date the statute takes effect. Withdrawal does not relieve a member of its contractual obligations with regard to assistance received from the Agency, or budgetary obligations for the year in which it withdraws.

This article also provides that the question of a general review of the statute is to be placed on the agenda of the fifth annual session of the General Conference. If approved by a majority of members present and voting, the review is to take place at the next General Conference. Thereafter, a proposal for general review may be submitted at any General Conference session.

#### ARTICLE XIX

If a member of the Agency becomes in arrears in its financial contributions to the Agency in an amount totaling 2 years' contributions, it is to lose its vote in the Agency unless the General Con-

ference is satisfied that failure to pay is due to conditions beyond the member's control (art. XIX).

Persistent violation of the statute or of any agreement made under it may result in suspension of the offending member from privileges and rights of membership. Decisions on suspension are to be made, upon recommendation of the Board of Governors, by a two-thirds majority of members present and voting in the General Conference.

#### ARTICLE XX

Article XX defines the terms "special fissionable material," "uranium enriched in the isotopes 235 or 233," and "source material."

#### ARTICLE XXI

In accordance with article XXI, the statute was opened for signature on October 26, 1956, by states members of the United Nations or of any of the specialized agencies and remained open for 90 days. Ratification by signatory states is called for.

The United States is named depositary Government for receipt of instruments of ratification by signatory states and instruments of acceptance by states approved for membership in conformity with the statute. It is specified that ratification or acceptance by states is to be effected in accordance with constitutional processes.

The statute, apart from its annex, comes into force on deposit of instruments of ratification by 18 states, including 3 of the following: Canada, France, the Union of Soviet Socialist Republics, the United Kingdom, and the United States. The annex, by the terms of article XXI, came into force October 26, 1956, the day on which the statute was opened for signature.

#### ARTICLE XXII

Article XXII provides for registration of the statute pursuant to article 102 of the United Nations Charter. In addition, agreements between the Agency and any member or members, agreements between the Agency and any other organization or organizations, and agreements between members subject to the approval of the Agency are to be registered with the Agency and, if required by article 102 of the United Nations Charter, are also to be registered with the United Nations.

#### ARTICLE XXIII

Article XXIII provides for equal authenticity of the five language texts in which the statute is drawn up and for transmittal of certified copies of the statute to the governments concerned.

#### ANNEX I

The annex to the statute establishes a Preparatory Commission, which is composed of 1 representative each of Australia, Belgium, Brazil, Canada, Czechoslovakia, France, India, Portugal, Union of South Africa, Union of Soviet Socialist Republics, the United Kingdom, and the United States, and 1 representative each of 6 other states which were chosen by the International Conference on the Statute of the International Atomic Energy Agency (Argentina, Egypt, Indonesia, Japan, Pakistan, and Peru). The Preparatory Commission is to remain in existence until the first General Conference of the Agency is convened and a Board of Governors has been selected in accordance with article VI of the statute. The Commission elects its own officers, adopts its own rules of procedure, establishes such committees as it deems necessary, and determines its place of meeting. It has appointed an Executive Secretary and a small staff in accordance with the provisions of the annex. The expenses of the Commission are being met by a loan negotiated by the Commission with the United Nations. The loan is ultimately to be repaid by the Agency. If the funds from this source should prove insufficient, the Commission is empowered to accept advances from governments; if such advances are made, they may be set off against contributions of the governments concerned to the Agency.

The functions of the Preparatory Commission are (a) to make arrangements for the first session of the General Conference of the Agency, including the preparation of a provisional agenda and draft rules of procedure; (b) to designate certain members of the first Board of Governors of the Agency in accordance with subparagraphs A-1 and A-2 and paragraph B of article VI of the statute; (c) to make studies, reports, and recommendations for the first session of the General Conference and for the Board of Governors on subjects requiring immediate attention, including financing, programs and budget, technical problems relevant to planning Agency operations, establishment of a permanent staff of the Agency, and location of permanent headquarters for the



Agency; (d) to make recommendations for the first meeting of the Board of Governors concerning the provisions of a headquarters agreement; (e) to negotiate with the United Nations regarding a draft agreement to define the relationship between the United Nations and the Agency; and (f) to make recommendations concerning the relationship of the Agency to other international organizations.

## LETTER FROM CHAIRMAN OF VENEZUELAN DELEGATION

REPUBLIC OF VENEZUELA  
DELEGATION TO THE UNITED NATIONS

NEW YORK, 25 October 1956

SIR, I have the honour to inform you that in accordance with instructions I have received from the Venezuelan Government my delegation has been authorized to sign the Statute of the International Atomic Energy Agency, subject to the terms of the following declaration:

"The Delegation of Venezuela signs the present Statute *ad referendum* and on the understanding that:

1) As regards article XVII, the signing or ratification of this Instrument by Venezuela does not imply Venezuela's acceptance of the jurisdiction of the International Court of Justice without its express consent in each individual case;

2) No amendment to this Instrument under paragraph C of article XVIII shall be regarded by Venezuela as operative until its constitutional provisions concerning the ratification and deposit of public treaties have been complied with."

I also have the honour to confirm that the following members of my delegation have been authorized to sign the aforesaid Statute: the undersigned, Dr. Francisco Alfonso Ravard and Dr. Marcel Granier.

I have the honour to be, Sir, etc.,

(signed) HUMBERTO FERNÁNDEZ-MORÁN

*Chairman of the Venezuelan Delegation to the Conference on the Statute of the International Atomic Energy Agency.*

His Excellency Mr. JOAO CARLOS MENIZ,  
*President of the Conference on the Statute of the International Atomic Energy Agency.*

## Amendment to Anglo-American Financial Agreement of 1945

*Statement by Thorsten V. Kalijarvi*<sup>1</sup>

It is a pleasant duty to appear before this committee to speak in support of Senate Joint Resolution 72 to approve the signature by the Secretary of the Treasury of the agreement of March 6, 1957, amending the Anglo-American Financial Agreement of 1945.<sup>2</sup>

Secretary Humphrey has explained the substance and financial significance of the amendatory agreement and the technical problems that led to its negotiation, and I assume that you do not wish me to cover the same ground. I would, however, like to add a footnote on the financial side.

When the financial agreement was concluded in 1945, the United States and the United Kingdom also agreed on a joint statement on the settlement for lend-lease and reciprocal aid, surplus war property, and claims. Paragraph 4 of the joint statement provides: "The total liability found to be due to the Government of the United States will be discharged on the same terms as those specified in the Financial Agreement. . . ." Accordingly, the provisions of the amendatory agreement now before this committee will, when approved, automatically apply to British payments on the lend-lease and surplus-property obligations.

The total liability of the United Kingdom under the settlement was determined to be \$622 million, requiring payments of interest and principal, combined, of \$19 million a year. The United States has received almost \$70 million on the principal and \$58 million in interest on this account. These amounts represent payments in full of installments due in 1951 through 1955 and the payment of principal due in 1956. Interest of about \$11 million due in 1956 was withheld pending the outcome of the British claim for a waiver of interest. These figures are included in the totals just given to the committee by Secretary Humphrey.

<sup>1</sup> Made before the Senate Banking and Currency Committee on Mar. 15 (press release 147). Mr. Kalijarvi was testifying as Acting Deputy Under Secretary for Economic Affairs.

<sup>2</sup> For text of amendatory agreement and President's message of transmittal, see BULLETIN of Mar. 25, 1957, p. 492.

Paragraph 6 of the joint statement provides for drawings by the United States of up to \$50 million in sterling against the total British liability. These funds may be used to finance the Fulbright educational exchange program and the United States foreign buildings program. Under the original understanding, this facility was to terminate on December 31, 1951, but the termination date was later changed by agreement to December 31, 1958. Since the termination date is not far off and since it appeared that a substantial part of the \$50 million would not be drawn by 1958, the Department of State took the opportunity afforded by the recent discussions to suggest that the termination date be deferred for a further period. The British Government has indicated that it is willing to eliminate the terminal date entirely, thus giving the United States the right to draw sterling against the remainder of the \$50 million for the duration of the agreement. This change will insure that sterling funds will be available to continue for a number of years the educational and buildings programs authorized by the Congress.

#### **Importance of U.S.-U.K. Relations**

Now we may turn to some broader questions. I do not believe that the Department of State can speak in support of the measure before the committee without again referring to the importance to the United States of our relations with the United Kingdom. The United States and the United Kingdom stand together as friends in promoting, with other countries of the free world, our common, fundamental ideals of justice and freedom for people and nations. Without this firm association, the security of the two countries and of other free and independent nations would be weakened. We in the United States put a high value on the close relationships between the United States and the United Kingdom; the United Kingdom does also, and so do other nations of the free world.

Nations, like people, keep their friendships in good repair by forestalling potential sources of friction and by resolving differences fairly and amicably, and as quickly as possible, when they arise. In this conception lies the plain virtue of the amendatory agreement that the President has sent to the Congress for its approval. The new arrangement provides an answer to a difficult ques-

tion that arose in the ordinary course of the relations between the United States and the United Kingdom and, despite good will on both sides, remained unsettled for several years. The answer, which we see before us, is a fair one. Taken as a whole, the new arrangement retains the balance that was embodied in the original agreement of 1945 and does not confer on either side unreasonable advantages or place upon them unreasonable burdens. As Secretary Humphrey has shown, the arrangement is workable and happily simple. For these reasons, the Department of State regards the amendatory agreement as a good agreement—good for the United States and good for the United Kingdom.

#### **Need for Amending Financial Agreement**

Before concluding this statement, I wish to underscore one matter that the Secretary of the Treasury discussed, that is, the fundamental need for amending the original text of the financial agreement. When the 1945 agreement was negotiated, the two Governments, looking ahead to 55 years of an uncertain future, agreed on the reasonableness of a waiver provision. The right to a waiver in specified circumstances was made an integral part of the balance of the agreement—in plain words, part of the bargain. Unfortunately, when the time came for using the tests enumerated in the waiver formula, it was found practically impossible to apply some of them to existing conditions.

It became clear that, if this problem remained unresolved, an important feature of the agreement would be effectively nullified. This result was certainly not contemplated when the agreement was negotiated in 1945. In the circumstances, considerations of good business, constructive foreign policy, and fair play dictated that the two Governments jointly find a solution—in particular, a solution that would carry out the spirit of the agreement by restoring to it a reasonable counterpart of the balance that the two Governments had agreed upon in 1945. The Department of State believes that a fair, simple, and common-sense solution has been found to achieve this objective. The very fact that such a solution has been found through amicable negotiations should strengthen the bonds of friendship and respect that hold the United States and the United Kingdom together.



# Question of U.S. Approval of Plant Protection Convention

*Statement by Christopher H. Phillips*<sup>1</sup>

I am appearing here today as a representative of the Department of State to support approval of the International Plant Protection Convention, transmitted to the Senate by the President on January 12, 1956.<sup>2</sup> The convention is designed to provide for international cooperation in controlling pests and diseases of plants and plant products and in preventing their introduction and spread across international boundaries. This Department strongly supports the objectives and procedures prescribed in the convention and requests that favorable action on it be taken by this committee. Some historical background concerning the development of the convention may be of assistance to the committee.

The first draft of the International Plant Protection Convention was drawn up at an International Phytopathological Conference held on the invitation of the Government of the Netherlands, April 26 to May 3, 1950. This Conference had on its agenda, among others, a consideration of certain phases of international relationships in the field of plant protection, in particular, (1) the abrogation of the Phylloxera Convention of 1881; (2) the drafting of a revision of the International Plant Protection Convention of 1929; (3) the discussion of a constitution for a European Plant Protection Conference, then in the process of formation.

The inclusion of these items in the agenda resulted from recommendations of the fifth session of the Conference of the Food and Agriculture Organization (FAO) held in Washington in 1949, which approved a previous proposal by the Director-General that FAO organize a worldwide plant-pest reporting service. This action covered both FAO's responsibility for facilitating action by governments to eradicate and control plant diseases and assistance to member countries in the formation of an international network to report on the incidence of plant diseases and insect pests of international interest. The United States was

represented at the Conference at The Hague and in the subsequent consultations at which the language of the convention was perfected. The resulting draft was presented to the FAO Conference, sixth session, meeting in Rome in November 1951.

The FAO Conference approved the convention at that time and recommended that it be opened to signature and ratification by member governments. The convention was signed on behalf of the United States of America and 36 other states in the period between December 6, 1951, to May 1, 1952. The United States signed *ad referendum*. The convention, in accordance with article XIV, came into force on April 3, 1952. It is now in force with respect to 37 countries which have completed the ratification or adherence procedure.

## Previous Conventions

The Phylloxera Convention of Bern of 1881, which was ratified and adhered to by 16 European countries, represented the first international action for coordination in plant protection by means of quarantine measures. In 1929 an International Plant Protection Convention was drawn up and agreed to at a meeting sponsored by the International Institute of Agriculture in Rome. The United States was not a party to either of these conventions, as the Department of Agriculture considered that they were not satisfactory from the point of view of United States interests and legislation. However, the United States has always recognized the value of international cooperation in regard to the international control of plant pests and diseases and, therefore, welcomed the new approach to this problem through the FAO.

## FAO's Functions in Regard to International Conventions

Under its constitution, the Conference of the FAO is authorized to "submit to Member Nations conventions or agreements concerning questions relating to food and agriculture. . . . Conventions or agreements approved by the Conference or Council shall come into force for each Member Nation only after acceptance by it in accordance with its constitutional procedure."<sup>3</sup>

The Rules of Procedure which govern the development of conventions by FAO provide for cer-

<sup>1</sup> Made before the Senate Foreign Relations Committee on Mar. 19 (press release 157). Mr. Phillips is Deputy Assistant Secretary for International Organization Affairs.

<sup>2</sup> S. Exec. D, 84th Cong., 2d sess.; also printed in BULLETIN of Feb. 20, 1956, p. 311.

<sup>3</sup> FAO Constitution, art. XIV.

tain specific consultations with member governments prior to approval of the convention for submission to governments and, in addition, provide that "Any convention or agreement submitted to Member Nations by the Conference or the Council . . . shall come into force as the convention, agreement, regulations, or supplementary agreements may prescribe, provided that no Nation shall be bound unless such Nation has accepted it in accordance with its constitutional procedure."<sup>4</sup>

As far as the objectives and provisions of the International Plant Protection Convention are concerned, they deal only with broad *international* relationships in the field of plant protection. The convention does not disturb the responsibility of the Secretary of Agriculture under the Plant Quarantine Act of 1912, as amended, to decide on pest-prevention measures to protect American agriculture. Nor does it attempt to take over any of the responsibility of individual governments for final decision on needed plant quarantine measures. The convention does not require that the judgment of the contracting governments be superseded by decisions of an international body.

#### **Effective Regional Action Developed Under International Plant Protection Convention**

The International Plant Protection Convention has been an effective influence in stimulating the development of supplementary regional plant protection agreements, under article III of the convention. Two such agreements are now in effect, (1) European Plant Protection Agreement and (2) Plant Protection Agreement for Southeast Asia and the Pacific Region. The United States Government is not and does not intend to become a party to either of these agreements, since they are concerned with plant protection measures to be taken entirely within the respective regions. However, the U.S. approves of the objectives of these regional conventions. Effective action taken by governments within these regions for the control and prevention of the spread of specific plant-pest and quarantine problems cannot help but contribute to the welfare of U.S. agriculture, since the dangers of infestation in the U.S. from these sources will thereby be reduced.

In conclusion, I should like to call attention to the importance of becoming party to this convention as an evidence of our wholehearted support of

the objectives and work of the FAO. This is the first and most important convention developed by the FAO, an important specialized agency of the United Nations, of which the U.S. has been a member since its inception in 1945. The objective of the FAO is to promote international cooperation in the improvement of food and agricultural production, marketing, and trade, with a view to raising the levels of living of rural populations and improving nutritional standards generally. These objectives are especially important to the two-thirds or more of the world's population who depend on agriculture, forestry, or fishing for subsistence, but who often still live in conditions of extreme poverty and malnutrition.

The U.S., through its bilateral program of economic aid and cooperative technical assistance, is helping people in many of the free countries in underdeveloped areas of Latin America, Asia, Africa, and the Near East to raise their agricultural and nutritional levels. We have a considerable investment in their welfare. Also, through FAO, the U.S. is cooperating with 71 other governments to bring about the better exchange of agricultural technical knowledge and techniques which will help governments in all parts of the world to improve food and agricultural production to meet the needs of the world's growing population. The International Plant Protection Convention is one way by which all signatory governments are undertaking to work together to reduce the danger of the international spread of plant pests and diseases. Effective action taken by participating governments along the lines recommended by this convention should, over a period of time, contribute materially toward the control of devastating plant pests and diseases, thereby permitting a continued progress in food and agricultural development. Inasmuch as the convention is now in force for 37 countries, we believe that favorable action by the United States Government will be warmly welcomed by the 37 countries which are already parties to the convention, and by the Director-General of FAO, who has certain responsibilities under the convention for its successful operation, and by the 11 governments in which ratification is currently pending. I, therefore, hope that, both as a means of promoting our friendly relationships with countries members of FAO and also because approval of the convention is deemed to be in the national interest, you will recommend favorable action.

<sup>4</sup> FAO Rules of Procedure, rule XXI, par. 4.



I should now like to ask the representative of the Department of Agriculture to discuss with you the details of the International Plant Protection Convention, particularly as they apply to the responsibilities of the Secretary of Agriculture under existing legislation and to the interests of United States agriculture generally.

## **Congressional Documents Relating to Foreign Policy**

### **85th Congress, 1st Session**

The Objectives of United States Economic Assistance Programs. A study prepared at the request of the Senate Special Committee To Study the Foreign Aid Program by the Center for International Studies, Massachusetts Institute of Technology (pursuant to S. Res. 285, 84th Cong.). No. 1, January 1957. 73 pp. [Committee print.]

Control and Reduction of Armaments. Hearings before a subcommittee of the Senate Committee on Foreign Relations pursuant to S. Res. 93, S. Res. 185, and S. Res. 286. Part 12, January 16-17, 1957, Washington, D.C. 147 pp.

Economic Report of the President. January 23, 1957. 200 pp.

First Annual Report on the Operation of the Trade Agreements Program. H. Doc. 93, February 11, 1957. 248 pp.

Economic Aid and Technical Assistance in Africa. Report of Senator Theodore Francis Green on a study mission pursuant to S. Res. 162, 84th Congress. February 21, 1957. 34 pp. [Committee print.]

Twelfth Report of United States Advisory Commission on Information. H. Doc. 98, February 22, 1957. 19 pp.

Improvement of Procedures for the Development of Foreign Air Commerce. Report to accompany S. 1423. S. Rept. 119, February 27, 1957. 18 pp.

Greece, Turkey, and Iran. Report on United States foreign assistance programs prepared at the request of the Senate Special Committee To Study the Foreign Aid Program by Former Ambassador Norman Armour (pursuant to S. Res. 285, 84th Cong. and S. Res. 35, 85th Cong.). Survey No. 1, February 1957. 53 pp. [Committee print.]

Lebanon, Jordan, and Iraq. Report on United States foreign assistance programs prepared at the request of the Senate Special Committee To Study the Foreign Aid Program by Hamilton Fish Armstrong, editor. *Foreign Affairs* (pursuant to S. Res. 285, 84th Cong. and S. Res. 35, 85th Cong.). Survey No. 2, February 1957. 28 pp. [Committee print.]

Personnel for the Mutual Security Program. A study prepared at the request of the Senate Special Committee To Study the Foreign Aid Program by Louis J. Kroeger and Associates. No. 2, February 1957. 68 pp. [Committee print.]

American Private Enterprise, Foreign Economic Development, and the Aid Programs. A study prepared at the request of the Senate Special Committee To Study the Foreign Aid Program by the American Enterprise Association, Inc. (pursuant to S. Res. 285, 84th Cong., and S. Res. 35, 85th Cong.). No. 7, February 1957. 68 pp. [Committee print.]

Trading With the Enemy Act. Report of the Senate Committee on the Judiciary made by its Subcommittee To Examine and Review the Administration of the Trading With the Enemy Act, pursuant to S. Res. 171, 84th Cong., 2d sess., as extended by S. Res. 84, 85th Congress. S. Rept. 120, March 1, 1957. 23 pp.

## **TREATY INFORMATION**

### **Atoms-for-Peace Agreement With Iran**

On March 6 the U.S. Atomic Energy Commission and the Department of State (press release 116) announced that representatives of Iran and the United States on March 5 signed a proposed agreement for cooperation in research in the peaceful uses of atomic energy. The signing was announced in Iran by His Imperial Majesty, the Shah, at the opening ceremony of the U.S. atoms-for-peace exhibit at Tehran on March 6.

The agreement was signed by Ali Amini, the Iranian Ambassador to the United States, Lewis L. Strauss, Chairman of the U.S. Atomic Energy Commission, and William M. Rountree, Assistant Secretary of State.

Under the proposed agreement, the Government of Iran will receive information as to the design, construction, and operation of research reactors and their use as research development and engineering tools. It is contemplated that private American citizens and organizations would be authorized to supply to the Government of Iran, or to authorized private persons under its jurisdiction, appropriate equipment and service.

The proposed agreement further provides that the U.S. Atomic Energy Commission will lease to the Government of Iran for use in research reactors up to 6 kilograms (13.2 pounds) of contained U-235 in uranium enriched up to a maximum of 20 percent U-235. Iran assumes responsibility for using and safeguarding the fissionable material in accordance with the terms of the proposed agreement. The agreement provides for the exchange of unclassified information in the research reactor field, related health and safety problems, and the use of radioactive isotopes in physical and biological research, medical therapy, agriculture, and industry.

Looking to the future, the agreement expresses the hope and expectation of the parties that this initial agreement for cooperation will lead to consideration of further cooperation at some future date in an agreement in the field of nuclear power.

This proposed cooperative agreement will en-

able the Iranians to enhance their own country's training and experience in nuclear science and engineering for the development of peaceful uses of atomic energy within the framework of the atoms-for-peace program. Students from Iran have been among the enrollees from many nations attending the reactor technology courses at the International School for Nuclear Science and Engineering operated for the U.S. Atomic Energy Commission by the Argonne National Laboratory in cooperation with Pennsylvania State University and North Carolina State College.

Under the provisions of the U.S. Atomic Energy Act of 1954, certain procedural steps must be taken by the executive and legislative branches of the U.S. Government before the agreement may enter into force. The agreement must also be ratified by the Iranian Parliament.

## Current Actions

### MULTILATERAL

#### Postal Services

Universal postal convention, with final protocol, annex, regulations of execution, and provisions regarding air-mail and final protocol thereto. Signed at Brussels July 11, 1952. Entered into force July 1, 1953. TIAS 2800.

*Ratification deposited:* Ethiopia, February 22, 1957.

#### United Nations

Charter of the United Nations and Statute of the International Court of Justice. Signed at San Francisco June 26, 1945. Entered into force October 24, 1945. 59 Stat. 1031.

*Admission to membership:* Ghana, March 8, 1957.

### BILATERAL

#### Chile

Agreement for the establishment and operation of rawinsonde observation stations at Antofagasta, Quintero, and Puerto Montt, Chile. Effected by exchange of notes at Santiago March 1, 1957. Enters into force on date of signature of an arrangement embodying the technical details.

#### Iceland

Agreement for a program of educational exchanges authorized by the Fulbright Act (60 Stat. 754). Signed at Reykjavik February 23, 1957. Entered into force February 23, 1957.

#### Ireland

Agreement for an educational exchange program. Signed

at Dublin March 16, 1957. Enters into force on date of receipt of notification by Ireland that implementing procedures have been completed.

#### Japan

Protocol supplementing the convention for avoidance of double taxation and prevention of fiscal evasion with respect to taxes on income of April 16, 1954 (TIAS 3176). Signed at Tokyo March 23, 1957. Enters into force on date of exchange of written notifications of ratification or approval.

#### Netherlands

Agreement extending the agreement relating to American war graves in the Netherlands of April 11, 1947 (TIAS 1777). Effected by exchange of notes at The Hague January 14 and August 29, 1955, and March 9, 1956. *Entry into force:* March 18, 1957.

#### Thailand

Agreement amending agreement for cooperation concerning civil uses of atomic energy of March 13, 1956 (TIAS 3522). Signed at Washington March 27, 1957. Enters into force on date on which each Government receives from the other written notification that it has complied with statutory and constitutional requirements.

#### United Kingdom

Agreement amending agreement for sale of tobacco to the United Kingdom and the construction of military housing and community facilities for use of the United States Air Force of June 5, 1956 (TIAS 3588). Effected by exchange of notes at London March 13, 1957. Entered into force March 13, 1957.

#### Yugoslavia

Agreement amending the agricultural commodities agreement of November 3, 1956 (TIAS 3688). Effected by exchange of notes at Washington March 22, 1957. Entered into force March 22, 1957.

## DEPARTMENT AND FOREIGN SERVICE

### Confirmations

The Senate on March 22 (legislative day of March 21) confirmed Andrew H. Berding to be an Assistant Secretary of State. (For biographic details, see press release 101 dated March 1.)

The Senate on March 28 confirmed Philip W. Bonsal to be Ambassador to Bolivia. (For biographic details, see press release 159 dated March 18.)

The Senate on March 28 confirmed John Clifford Folger to be Ambassador to Belgium. (For biographic details, see press release 146 dated March 14.)

The Senate on March 28 confirmed Philip Young to be Ambassador to the Netherlands. (For biographic details, see press release 162 dated March 19.)



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THE DEPARTMENT OF STATE

# Bulletin

VOL. XXXVI, No. 930 • PUBLICATION 6480

April 22, 1957

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*The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.*

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52 issues, domestic \$7.50, foreign \$10.25  
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 19, 1955).

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# The Emergence of Africa

## REPORT TO PRESIDENT EISENHOWER BY VICE PRESIDENT NIXON

On the basis of my visits to Morocco, Ghana, Liberia, Uganda, Ethiopia, Sudan, Libya, Italy, and Tunisia, from February 28 to March 21, I submit the following observations and recommendations:

### IMPORTANCE OF AFRICA

No one can travel in Africa, even as briefly as I did, without realizing the tremendous potentialities of this great continent. Africa is the most rapidly changing area in the world today. The course of its development, as its people continue to emerge from a colonial status and assume the responsibilities of independence and self-government, could well prove to be the decisive factor in the conflict between the forces of freedom and international communism.

The leaders and peoples of the countries I visited in Africa have many things in common. They cherish their independence, which most of them have only recently acquired, and are determined to protect it against any form of foreign domination. They rightfully expect recognition from us and others of their dignity and equality as individuals and peoples in the family of nations. They want economic progress for their undeveloped economies.

The great question which is presented to the leaders of Africa is whether they can attain these

justifiable objectives and at the same time maintain and develop governmental institutions which are based on principles of freedom and democracy. I believe they all are convinced that they can, and that the Free World has a vital interest in assisting them to do so. For the success or failure of these new members of the family of nations to realize their aspirations in this manner will have profound effects upon the development of Africa and on the world in the years to come.

Herein lies the wider significance of the emergence of the new nation of Ghana. The eyes of the peoples of Africa south of the Sahara, and of Western Europe particularly, will be upon this new state to see whether the orderly transition which has taken place from dependent to independent status, and whether the retention of close ties on a basis of equality with the British Commonwealth, will continue to work successfully and thereby present a formula of possible application in other cases. By the same token, inimical forces will be closely following the situation to see whether any openings present themselves for exploitation in a manner which would enable them to disrupt and destroy the independence which Ghana seeks to achieve.

Nor is this a situation peculiar to Ghana. The same factors are present everywhere among the independent states which I visited. Africa is emerging as one of the great forces in the world today. In a world in which, because of advances in technology, the influence of ideas and principles is becoming increasingly important in the battle for men's minds, we in the United States must

<sup>1</sup> Issued by the White House for release on Apr. 7. For background, see BULLETIN of Mar. 4, 1957, p. 348, and Mar. 18, 1957, p. 436.

come to know, to understand and to find common ground with the peoples of this great continent. It is in this context that the recommendations in this report, together with others previously made to the appropriate government agencies, are presented.

#### **Appraisal of African Leadership**

Africa is producing great leaders, dedicated to the principles of independence, world responsibility and the welfare of their peoples. Such men as the Sultan of Morocco, Prime Minister Nkrumah of Ghana, President Tubman of Liberia, the Emperor of Ethiopia, and Prime Ministers Abdullah Khalil of the Sudan, Ben Halim of Libya and Habib Bourguiba of Tunisia, certainly compare most favorably with the great leaders of the world. Nor should one omit King Idris of Libya, whom I unfortunately missed seeing on this trip because of an engine failure, but whose wisdom and statesmanship I remember most vividly from my previous trip to that country in 1953. These are all men who command respect beyond the borders of their own country. They are backed up by other equally dedicated leaders who have much to contribute both to the problems of their own countries and to those which plague the world today.

#### *Recommendation*

The United States must come to know these leaders better, to understand their hopes and aspirations and to support them in their plans and programs for strengthening their own nations and contributing to world peace and stability. To this end, we must encourage the greatest possible interchange of persons and ideas with the leaders and peoples of these countries. We must assure the strongest possible diplomatic and consular representation to those countries and stand ready to consult these countries on all matters affecting their interests and ours.

#### **Attitudes Toward the United States**

There is no area in the world today in which the prestige of the United States is more uniformly high than in the countries which I visited on this trip. The President is respected as the acknowledged leader of the Free World. There is a most encouraging understanding of our programs and policies. These countries know that we have no ambitions to dominate and that the

cornerstone of our foreign policy is to assist countries in resisting domination by others. They understand that the United States stands on principle and that this was the motivating force, for example, which led us to act as we did in the recent Suez crisis. They approve the stand which we took at that time and look confidently to us to act consistently with that stand in the future. They understand that the American Doctrine for the Middle East is dedicated to the principle of assisting the states of the Middle East to maintain their independence. They know that the United States stands for the evolution of dependent peoples toward self-government and independence, as they become able to discharge the responsibilities involved.

#### *Recommendation*

This understanding of the principles for which we stand as a nation is a tremendous asset to us in this area. The maintenance of the present high prestige we are fortunate to have in Africa will depend upon whether the people of the Continent continue to understand our dedication to the principles of independence, equality and economic progress to which they are so deeply devoted. We must staff our diplomatic and information establishments in these countries with men and women capable of interpreting and explaining our policies and actions in a way which will guarantee that they are so understood.

#### **Effect of Discrimination in U.S. on African Attitudes**

As a result of skillful propaganda primarily inspired by the enemies of freedom, a consistently distorted picture of the treatment of minority races in the United States is being effectively presented in the countries I visited. Every instance of prejudice in this country is blown up in such a manner as to create a completely false impression of the attitudes and practices of the great majority of the American people. The result is irreparable damage to the cause of freedom which is at stake.

#### *Recommendation*

We must continue to strike at the roots of this problem. We cannot talk equality to the peoples of Africa and Asia and practice inequality in the United States. In the national interest, as well as for the moral issues involved, we must support



the necessary steps which will assure orderly progress toward the elimination of discrimination in the United States. And we should do a far more effective job than we are presently doing in telling the true story of the real progress that is being made toward realizing this objective so that the people of Africa will have a true picture of conditions as they really are in the United States.

### **Economic Assistance**

All of the African states which I visited are underdeveloped. Most of them have great economic potential. Their leaders are anxious to strengthen the economies of their countries in order to assure for their peoples a larger share of the advantages of our modern civilization. They seek economic as well as political independence insofar as this is possible in the world of today.

Their needs are great in terms of education and public health. They require roads and other communications in order to open inaccessible parts of their territory to economic development. They need agricultural development to sustain their expanding populations. They want assistance in developing their great mineral and forest resources. They foresee great opportunities for developing small industrial enterprises. In most cases, these developmental needs are beyond their capacity to finance.

All of the leaders with whom I talked expressed preference for developing their economies through encouraging the investment of private capital and through loans from international agencies such as the World Bank where feasible rather than through government-to-government grants. It can truly be said that the welcome sign is out for investment of foreign private capital in Africa. African leaders are aware of the great role that such private capital can play in the development of their countries and many of them have adopted, or are in the process of adopting, special legislation designed to create an atmosphere conducive to expanded foreign investment.

### *Recommendation*

Consistent with the desires of African leaders, the United States Government through its agencies should, as appropriate, draw the attention of private American capital to opportunities for investment in those areas where the conditions for such investment are propitious. Strengthening the economic sections of American Embassies in

this area is needed if this objective is to be carried out.

We should support applications before the appropriate international agencies for financing sound economic development projects in the area.

To the extent that our resources and the demands of other areas permit, we should extend economic and technical assistance to the countries of Africa in helping them to further their economic development.

In this connection, I think it is appropriate to place in proper context the United States economic assistance programs. These programs should be approved only when they are in the mutual interests of the United States and the recipient country. They should be administered as efficiently as possible.

But while these programs should be constantly re-examined and improved so that they can better serve the national interest, shotgun attacks on our foreign assistance programs as such cannot be justified.

In this connection, I believe a comment on what has happened in Italy is pertinent. While my visit to Italy was not on an official basis, I did have the opportunity to discuss economic and political problems with President Gronchi, Prime Minister Segni and other Italian officials. It was significant to me that at the time I arrived in Italy, the last American aid office was being closed. I recalled that ten years before when I visited Italy as a member of the Herter Committee on Foreign Aid, the most dire predictions were being made as to the future of the Italian economy. It was said that American assistance would be thrown down a rat hole, that the Italian people should live within their own means, that they should work harder, and that in any event, once the economic program began, we would never see the end of it. The fact that Italy today has one of the soundest, most productive economies in Europe is eloquent proof of the validity of economic assistance properly administered and properly used by the recipient country.

While the economic problems of Italy were obviously different from those Africa now faces, I am confident that in the African countries I visited, we shall have similar success as we work in cooperation with the enlightened leaders of these nations towards the development of their great natural and human resources.

## **Special Relations With Other Countries**

Africa and Europe have much in common. To a large extent, their economies are complementary. Certain of the independent states on the African continent maintain close ties of an historical, cultural and economic nature with the states of Europe. The maintenance of these relationships, on a basis of equality, can greatly benefit both Africa and Europe.

### *Recommendation*

We should encourage the continuance of these special ties where they are considered mutually advantageous by the states concerned. We should take them in account in formulating our own policies to the extent compatible with the fundamental requirement of conducting our own relations with those states on a fully equal and independent basis.

The task of providing the economic assistance which is needed by the newly independent countries of Africa cannot be done by the United States alone. We should make it clear that we desire no exclusive position in any country in that area and that we want to work with other Free World nations in providing the assistance which will build strong, free, and independent nations in this area of the world.

## **Communism**

Africa is a priority target for the international communist movement. I gathered the distinct impression that the communist leaders consider Africa today to be as important to their designs for world conquest as they considered China to be twenty-five years ago. Consequently, they are mounting a diplomatic propaganda and economic offensive in all parts of the continent. They are trying desperately to convince the peoples of Africa that they support more strongly than we do their natural aspirations for independence, equality and economic progress.

Fortunately, their efforts thus far have not been generally successful and, for the present, communist domination in the states of the area is not a present danger. All of the African leaders to whom I talked are determined to maintain their independence against communism or any other form of foreign domination. They have taken steps to bring under control the problem of communist subversion of their political, economic and

social life. It would be a great mistake, however, to be complacent about this situation because the Communists are without question putting their top men in the fields of diplomacy, intrigue, and subversion into the African area to probe for openings which they can exploit for their own selfish and disruptive ends.

### *Recommendation*

The communist threat underlines the wisdom and necessity of our assisting the countries of Africa to maintain their independence and to alleviate the conditions of want and instability on which communism breeds. The importance of Africa to the strength and stability of the Free World is too great for us to underestimate or to become complacent about this danger without taking every step within our power to assist the countries of this area to maintain their effective independence in the face of this danger.

## **Trade Unionism**

In every instance where my schedule permitted, I made it a point to talk to the leading labor leaders of the countries I visited. I was encouraged to find that the free trade union movement is making great advances in Africa, particularly in Ghana, Morocco, and Tunisia. The leaders of these countries have recognized the importance of providing an alternative to communist dominated unions and they, thereby, are keeping the Communists from getting a foothold in one of their favorite areas of exploitation. In this connection, I wish to pay tribute to the effective support that is being given by trade unions in the United States to the free trade union movement in the countries which I visited. These close and mutually advantageous relationships are in the national interest as well as in the interest of developing a strong labor movement.

### *Recommendation*

It is vitally important that the United States Government follow closely trade union developments in the Continent of Africa and that our diplomatic and consular representatives should come to know on an intimate basis the trade union leaders in these countries. I believe, too, that American labor unions should continue to maintain close fraternal relationships with the African free trade union movement in order that each may



derive the greatest possible advantage of the wisdom and experience of the other.

### **Nile Development**

The Nile is one of the world's greatest international rivers. Perhaps in no other part of the world are the economies of so many states tied to a particular waterway. The river is so located geographically that whatever projects are undertaken on it within the territorial domains of one state are bound to have their effect on the economies of other states.

### *Recommendation*

The United States must take into account the common interests of the riparian states in the development of this great river and, at such time as political conditions permit, should support a cooperative approach to its development which would accord with the common interests of all the states involved.

### **Operation of United States Programs**

Specific recommendations as to the operation of American programs in the countries I visited have been made on a classified basis to the various interested agencies. In general, I found that our political, economic and information programs in the countries which I visited, are being administered in accordance with our obligations to the United States taxpayer. There is, however, always room for improvement and, in the spirit of constructive criticism, I wish to make the following public recommendations.

### *Recommendations*

On the political side, I believe that our diplomatic and consular missions are generally understaffed. We must assure that these establishments have sufficient personnel to enable them to interpret our policies, to consult fully with the local governments on matters of mutual interest and to report on developments of importance to the United States. We must assure that our diplomatic and consular offices have sufficient funds to enable them to travel about the vast territories within their jurisdiction for the purposes of reporting on developments outside the major centers of population and of forming contacts with the peoples of those areas. We must recognize that the posts in this area are, in many instances, un-

healthful and trying climatically to those who are raised in a temperate zone. We must, therefore, endeavor to ameliorate hardship conditions for our personnel in order to enable them more effectively to perform their tasks. We must recognize that the importance of the African area and the difficult living conditions there necessitate our assigning officials of the highest possible competence and stability. The emphasis should be on youth, vigor and enthusiasm.

Insofar as our economic programs are concerned, I believe that our technicians in the field are doing an excellent job in working alongside the African and teaching him to perform the various functions of social and economic development for himself. Obviously, the maintenance and support of these technicians in the field require a headquarters staff in the country capitals. From my own observations, I believe these headquarters staffs sometimes tend to become inflated and I, therefore, recommend that they be carefully reviewed to see whether economies in personnel could not be effected. I believe also that there is sometimes a tendency to scatter programs over a number of fields of economic and social development, whereas greater concentration on a few key projects would bring more lasting returns to the country concerned. Our programs should constantly be reviewed from this point of view. The same comments which I made with respect to the calibre of our diplomatic and consular representation apply as well to our economic and information personnel.

On the informational side, I believe that the most worthwhile projects are the libraries and reading rooms which we have established in a number of centers overseas and the exchange of persons programs. The funds available for these programs in the African area should be substantially increased over the present level.

To the extent that the Africans become familiar with the culture and technology, the ideals and aspirations and the traditions and institutions which combine to make up the American character, we shall have made great advances in common understanding. This can be done through books and periodicals, through student exchanges and through the leader grant program for bringing outstanding Africans to the United States for study and travel. We should also assist as we can in the development of indigenous educational

facilities in Africa. In this way, we can get to know them and they to know us.

I believe that the information output from our radio and news programs in the African area have in the past not been as effective as they should be if we are adequately to counter the propaganda being disseminated by the Communists. In the studies which are currently being made of these programs by the USIA, I believe it is important that the highest priority be assigned to this area both as to improving the quality of personnel in the field and in more adequately providing information which is particularly suited to the special problems of Africa.

## CONCLUSION

For too many years, Africa in the minds of many Americans has been regarded as a remote and mysterious continent which was the special province of big-game hunters, explorers and motion picture makers. For such an attitude to exist among the public at large could greatly prejudice the maintenance of our own independence and freedom because the emergence of a free and independent Africa is as important to us in the long run as it is to the people of that continent.

It is for this reason that I strongly support the creation within the Department of State of a new Bureau of African Affairs which will place this continent on the same footing as the other great area groupings of the world. I recommend similar action by the ICA and USIA. These bureaus, properly staffed and with sufficient funds, will better equip us to handle our relationships with the countries of Africa. But this in itself will not be enough. There must be a corresponding realization throughout the executive branches of the Government, throughout the Congress and throughout the nation, of the growing importance of Africa to the future of the United States and the Free World and the necessity of assigning higher priority to our relations with that area.

## M. René Mayer To Visit Washington

Press release 180 dated April 1

The President of the High Authority of the European Community for Coal and Steel, René Mayer, who is in this country for the conclusion of negotiations for a loan to be issued by the Community on the United States financial market, will pay a brief informal visit to Washington on April 2 and 3. During his stay he will call on the Secretary of State, the Secretary of Commerce, and other members of this Government.

## Eighth Anniversary of NATO

*Statement by President Eisenhower*

White House press release dated April 4

Today is the eighth anniversary of the signing on April 4, 1949, here in Washington of the North Atlantic Treaty.

Since the inception of NATO, the member countries, by dedicated cooperative effort, have developed a strong defensive shield which has been a major factor in maintaining the peace in Europe.

The cooperative efforts of the NATO nations have now been extended beyond the field of military activity. The feeling has steadily grown among the governments and people of the NATO countries that increased unity among them is both natural and desirable. In the face of an unchanging challenge to their traditions and indeed their very freedom, they have agreed to work together on an ever-widening range of problems. Thus, the Atlantic Community will continue to grow in unity and in strength. Personally and officially I shall do everything in my power to assist in this further development.



## Secretary Dulles' News Conference of April 2

Press release 184 dated April 2

*Secretary Dulles:* I am available to answer questions.

*Q. Mr. Secretary, has the United States given any guaranties to Chiang Kai-shek that it will help defend Quemoy and Matsu in the event of attack?*

A. No. The only commitments of the United States are as authorized in the act of Congress which calls for the defense of Formosa (Taiwan) and the Pescadores (Penghu) area, and of other related areas if their defense is connected with the defense of Taiwan and Penghu.<sup>1</sup> That decision will be made by the President, when the circumstances call for it.

*Q. Was there ever a secret letter sent to Chiang Kai-shek which might have raised some question on this point?*

A. Well, I wouldn't want to say there had never been any private communication between the President and the heads of other governments. He has quite an extensive correspondence of that kind, and that is a matter which is within his jurisdiction and on which I won't comment.

*Q. Well, Mr. Secretary, do you know anything about a personal assurance from President Eisenhower on this point that might have satisfied Chiang Kai-shek that the United States would defend those two islands?*

A. I'm quite confident that there is nothing beyond what I have described. Obviously, that description which I have given implies that under certain conditions we would go to the defense of the offshore islands; that is, if their defense seemed related to the defense of Taiwan and Penghu.

<sup>1</sup> For text of H. J. Res. 159, 84th Cong., 1st sess., see BULLETIN of Feb. 7, 1955, p. 213.

*Q. Mr. Secretary, is it fair to say then, on the basis of what you have told us, that there is no American commitment of any kind implicit or explicit, stated or implied, to defend these islands beyond the actual language of the congressional resolution?*

A. That is correct.

*Q. Mr. Secretary, would you comment on the statement of your most recent biographer to the effect that the withdrawal of the Aswan Dam offer to Mr. Nasser was a truly major gambit in the cold war?*

A. I don't care to comment on articles written about me. If there are any subjects that, as a result of such writing, seem to merit your questioning me, I'm glad to answer your questions on their merits but not in terms of what may have been written about me.

### Canceling Offer of Aid on Aswan Dam

*Q. Mr. Secretary, let us put it this way: Did you make a decision to cancel the offer of aid on the Aswan Dam in order to force a showdown with the Soviet Union in the Middle East?*

A. I think that question could be answered in the negative. There were, of course, a number of reasons which dictated our declining to go ahead with the Aswan proposal.

There was, perhaps first of all and most imperative, the fact that the Appropriations Committee of the Senate had unanimously passed a resolution providing that none of the 1957 funds could be used for the Aswan Dam.

There was the fact that we had come to the feeling in our own mind that it was very dubious whether a project of this magnitude could be carried through with mutual advantage. It is a tremendous project, involving an estimated billion and a half dollars—probably it would cost

more than that. And the Egyptian component of that, in terms of domestic currency and effort, would involve a gigantic effort and call for an austerity program over a period of 12 to 15 years. Undoubtedly, that would be a burden and cause of complaint on the part of the Egyptian people, and probably the responsibility for that would be placed upon the foreign lenders and they would end up by being disliked instead of liked.

Then there was the further fact that the Egyptians had during the immediately preceding period been developing ever closer relations with the Soviet-bloc countries. Only a few days before I was asked for a definitive answer by the Egyptians, they had recognized Communist China—being the first Arab nation to do so. And, indeed, it became, I think, the first nation in the world to do so since the attack on Korea.

And in that way the Egyptians, in a sense, forced upon us an issue to which I think there was only one proper response. That issue was, do nations which play both sides get better treatment than nations which are stalwart and work with us? That question was posed by the manner in which the Egyptians presented their final request to us, and stalwart allies were watching very carefully to see what the answer would be—stalwart allies which included some in the same area.

Under all the circumstances I think there was no doubt whatsoever as to the propriety of the answer given. It was given in a courteous manner, as you will find if you will go back and reread the statement which was given out at the time, which reaffirmed our friendship for the Egyptian people and indicated our willingness in other ways to try to assist the Egyptian economy.<sup>2</sup>

#### **Current Negotiations on Canal**

*Q. Mr. Secretary, to bring this discussion up to date, what can you tell us about the status of the negotiations over the canal—whether there has been any response to our response to the Egyptian memorandum,<sup>3</sup> and what you consider to be the outlook for a settlement based on the six principles of the United Nations?*

A. We presented our views on Sunday [March 31], I think it was, indicating what we thought was necessary in order to bring the so-called draft

memorandum into line with the Security Council action. The Security Council had, last October, said that any settlement ought to meet certain specified requirements, and then it listed six requirements of any settlement. It seemed to us that the so-called draft memorandum fell short of meeting those requirements. We pointed out to the Government of Egypt the respects in which it did, in our opinion, so fall short and ways by which that shortfall might perhaps be remedied. We have had no response, as yet, from the Egyptian Government.

*Q. Can you tell us any of those points, especially how if one of the shortfalls, in fact the question of the binding nature of this document—how you would propose to make it an international obligation on all countries involved?*

A. Well, one of the weaknesses is the fact that, even though perhaps the Egyptians intended this to constitute an international obligation, our lawyers are not at all sure that they did in fact produce that result but that it may be merely a unilateral statement subject to unilateral change at any time, without any right on anybody's part to prevent that.

Now we believe that it can, with some rather minor word changes, be converted into a multilateral obligation by perhaps some such measure as filing it with the United Nations and providing that any nation which files an acceptance of it shall thereby gain rights under it. There are various ways in which I think that could be done; I am not at all sure that the Egyptians did not by their original draft intend some such result. But, if so, I do not think they made their intent adequate from the legal standpoint.

#### **Use of Canal by Israel**

*Q. Mr. Secretary, has Israel informed this Government that it will try to send a ship through the Suez Canal, and, if it does make this attempt, can you tell us what the American Government's attitude will be?*

A. I am not aware of our being officially advised in the sense that you mentioned, although it is possible that in the course of conversations with some of my associates such an intent may have been indicated. I just don't know about that. I would point out that, at the time of the withdrawal of

<sup>2</sup> *Ibid.*, July 30, 1956, p. 188.

<sup>3</sup> Not printed.



Israeli forces and at the time of the discussions which preceded that, the emphasis of the Government of Israel in their communications with the United States was upon the situation of the Gulf of Aqaba and the situation in the Gaza Strip. Prime Minister Ben-Gurion's letter to President Eisenhower did not mention the Suez Canal. Nevertheless, they and we do believe that every country has a right to send its ships and cargoes through the Suez Canal. Our belief was reflected by the Security Council decision of '51, where the United States voted in that sense as a member of the Security Council, and we continue to adhere to that view.

*Q. Mr. Secretary, do you have any indication at all from sources in Egypt that Egypt may soon renounce its belligerency against Israel and permit her ships to go through the canal?*

A. No, we have no evidence of that sort. I believe that that matter is perhaps still under consideration as a result of the mission of Mr. Hammarskjold to the area. His public report did not cover, I think, all of the matters which he discussed. It does include a report, of course, on the Gaza Strip, and I want to say that the United States shares the sentiments of satisfaction expressed yesterday by his Advisory Committee consisting of seven important countries. He made at least some progress in assuring the tranquillity of the Gaza area and that it will not be a base of hostile activities—fedayeen activities and the like.

Also, of course, that Committee expressed the opinion that if, in fact, the measures taken did not prove adequate in that respect, then the matter would have to be further considered and request made for further action. That, however, did not deal with the belligerency aspect of the matter, which I think is still in abeyance.

*Q. Mr. Secretary, what bargaining powers, if any, do we still retain in negotiations with Egypt over Suez and the relations with Israel? For instance, you mentioned that some of these changes in your opinion might be minor. What if Egypt chose not to go along with even a minor change? What if she chose to ignore our invocation of moral principles in the area? What do we do then?*

A. When I said the changes might be minor, I did not intend to imply that they would be minor in their significance. I think they might be minor

in terms of the actual changes in phraseology that would be required, and, as I say, it may be that those changes would be in accord with what Egypt's actual intentions were.

Now, on the question of what pressures we have to bring to bear, I think the situation basically is what I described last week when I said that the problem is one which confronts Egypt itself with a choice between whether it wishes to try to reestablish the confidence of the world in the dependability of the canal and its availability for use on the terms contemplated by the 1888 convention or not. Upon the choice that Egypt makes a great deal will depend, and a great deal of the future of Egypt itself will depend upon that. We are anxious—I think most countries are anxious—to see developments which will improve and uplift the economy of Egypt and its Arab neighbors; and we think it is in the mutual interest that the interdependence of this area with other areas should be promoted by sound Egyptian policies.

The United States has no pressures to bring to bear in terms of military threats or boycotts of the canal or the like. I think I said that back last October, September. That remains true today, and indeed it has been demonstrated, I think, that nonuse of the canal is not a very profitable operation from the standpoint of the users. But we still feel able to entertain hopes, at least, that this problem will be worked out in a way which we think is clearly in the interest not only of the nations which use the canal but in the interest of Egypt itself.

*Q. Mr. Secretary, does one infer correctly from what you just said that we would not participate in any kind of economic sanctions against Egypt if the situation deteriorated?*

A. I would not say that we would never participate in economic sanctions against Egypt. However, the word "sanctions" is, as I think we developed in the course of some of our talks about Israel, a word of a great many connotations. The so-called boycotting of the canal, if that is a sanction, is a matter primarily for the countries to decide whose economies depend upon the canal. United States economy does not depend in any appreciable degree upon the canal. Other countries do have a great deal of dependence, and I think that any initiative in that respect should come from them and not from us.

## Use of Canal by American Ships

*Q. Mr. Secretary, if American ships were to enter the canal within the next few days, would the Government have any objections if they turned over in dollars toll payments to the Egyptian Government on Egyptian terms such as they exist now?*

A. Well, the United States ships were, of course, paying in that way before the canal was closed and I think have always paid in that way. In that respect their practice is different from that of the British and the French. We always paid, so to speak, on the barrelhead at the canal.

Now, since the Suez Canal Company has been seized, the persons who pay are subject to double jeopardy in the sense that, whereas undoubtedly the seizure would be recognized as valid in Egypt, it may not be recognized as valid by the courts of other countries. Therefore, the Suez Canal Company may have a right to sue for those tolls in other jurisdictions than in Egypt. Now to protect against that risk was one of the reasons why we froze Egyptian Government funds here. And until there is a settlement, we would probably look to those funds as a source to indemnify American ships who went through the canal and paid under conditions which may not be held as valid and adequate by the courts of the United States.

*Q. Mr. Secretary, to answer the question, would we have any objections if any American ships did go in in the next few days and paid on the barrelhead as they did before the blowup?*

A. I would prefer not to answer that question until I know a little bit more of the outcome of these negotiations.

*Q. How do these negotiations provide for what you once defined as a major purpose of all negotiations with Egypt over the canal, that is, the insulating of the canal in its day-to-day operations against the whims and changes of Egyptian politics?*

A. That is one of the aspects of the matter which is very difficult to deal with but which we believe could be dealt with if there is what was referred to by the Secretary-General in his summary of the October negotiations as "organized cooperation" between the Egyptian Government and the users and if there were adequate rights of arbitration and so forth. I believe that that could be provided for, and indeed the draft memorandum

filed by the Egyptian Government does suggest certain rights of arbitration. Whether they are adequate or not is a question.

## Question of Users Association

*Q. The draft memorandum, sir, does not give much recognition—I don't believe it gives any recognition to the rights of the users as a group. Would the establishment of such rights for the users be an objective of the United States?*

A. It would be, because that is implicit in the six requirements of the Security Council. They provide, for example, that the tolls should be a matter of agreement between Egypt and the users. That implies, I think, very clearly an organization of the users, and that was the implication that was accepted by the Egyptian, British, and French Governments in the talks which took place concurrently with the Security Council meeting at New York.

*Q. Mr. Secretary, would you like to see the formation of a council of users which would have some authority in developing canal policy, operating policy?*

A. Well, the conditions which we would like to see are those which were portrayed in the proposals that were made by the 18 countries and were carried to Egypt by Prime Minister Menzies.<sup>4</sup> Now those were not the only way of accomplishing the purposes in mind. But if you want to ask what our optimum desiderata are, you would have to go back to that.

*Q. What I would like to get at is, what have you proposed to Egypt in your latest note?*

A. I don't want to disclose that note beyond saying, as I have said, that we are suggesting changes in the memorandum which in our opinion will bring it in conformity with the six requirements, and those six requirements, in turn, seemed to us to contemplate some organization of the users to deal with Egypt.

*Q. Mr. Secretary, in view of all that has happened in the Middle East since October, is international operation of the canal a practical possibility, or must the Western countries be content with some sort of advisory role to the Egyptian Government, which actually operates the canal?*

A. Well, again I would prefer not to answer

<sup>4</sup> BULLETIN of Sept. 24, 1956, p. 467.



that question at this stage because it might have an undesirable impact upon the negotiations.

*Q. Mr. Secretary, your statement last week that we are giving so much attention to Latin America certainly gratified a good many diplomats in town. However, they are mystified why the administration hasn't appointed an Assistant Secretary for Inter-American Affairs, which has been vacant since last August, and why at a time when there is so much activity in the Latin American field the two principal positions in the Department are now on the shoulders of Mr. Rubottom as Acting Assistant Secretary and Deputy Assistant Secretary.*

A. Well, the position is filled by an Acting Assistant Secretary. There is no *de facto* vacancy in the position. I have not heard any complaints of substance with respect to our handling of Latin American affairs, and I think that personnel matters probably couldn't be advantageously discussed here.

*Q. Could you tell us if an appointment is imminent, sir?*

A. No.

*Q. Was there agreement at Bermuda, Mr. Secretary, on the withdrawal of British troops from Malaya, and, if so, what would the United States do to fill the vacuum?*

A. There was no precise statement made by the United Kingdom as to its intentions with regard to Malaya. That general topic was discussed, as I think perhaps I indicated, at the Canberra conference, the SEATO Council. But the situation had not developed as yet into a sufficiently concrete form so that it was appropriate or advantageous to consider concrete measures, if any, to deal with it. Of course Malaya will become an independent state sometime next August, and the problem of the future of Malaya—whether it will enter the pact and what its arrangements will be with the other countries—will then have to be decided by the independent Government of Malaya.

*Q. Mr. Secretary, at the time you decided to withdraw the Aswan Dam offer, did you expect Colonel Nasser to react by seizing the canal?*

A. No. We did not expect that to happen, although we now know that the seizure of the Canal Company had been planned by President Nasser for some time. I don't recall that I recently men-

tioned it, but President Tito in a speech of his last November said that President Nasser had told him at their first meeting [February 1955] that it was his intention to seize the Suez Canal Company because Egypt as an independent nation could not tolerate this exercise of authority on Egyptian soil by foreigners. That was while the Aswan Dam matter was, I think, being discussed by the World Bank. But it was a year or more before our decision not to go ahead with the dam.

*Q. Mr. Secretary, since your return from Bermuda, have you acquainted yourself with the work of the Milton Eisenhower committee?*

A. I am familiar with it in general. I have had several reports made to me about it.

*Q. Mr. Secretary, yesterday on Capitol Hill, Dr. Hannah, President of Michigan State University and former Assistant Secretary of Defense, urged the United States to consider the Korean armistice, the armistice in North Korea, void and that we ship modern arms to Korea and atomic weapons to our own divisions in Korea. What is your opinion of that, sir?*

A. We do not think it is wise to treat the armistice as void. It is quite true that we are convinced of rather serious violations of the armistice by the other side and it may be that those violations give us a greater freedom of action in the respects in which it has been violated by the Communists, but, as far as relates to treating the entire armistice as void and in effect resuming a state of active belligerency, that is not something we favor.

*Q. Will the Richards mission go to Egypt and Syria, assuming that either or both Governments invite it to come?*

A. No decision has yet been made on that point.

*Q. Mr. Secretary, in listing the reasons for withdrawing from the financing of the Aswan High Dam, you mentioned that the strain of repayment might tend to turn the Egyptian people against us. Is it your feeling that foreign economic aid to any country where repayment might be a strain would work against the United States?*

A. It's always a question of degree, and certainly I would not think that would always be the case or even usually be the case. But remember, this was a very unusual case. There has never been in the whole history of the world an irrigation project of comparable magnitude.

*Q. Mr. Secretary, has there been any change in the administration's position barring travel by American reporters to Red China?*

A. No. There has been no change in our position in that respect. We are continuing to study the matter and have been in fact doing this actively over the past week or two. But I'm not in a position to announce it or forecast any change.

#### **Aid to Poland**

*Q. There have been reports, Mr. Secretary, that the administration is thinking in terms of a \$75 million aid contribution to Poland. First of all, is this figure roughly correct, and, if so, do you feel that that is sufficient to encourage Poland and other Communist satellites to veer away from Moscow? Because there have been reports that Poland does not think that that would be a sufficient sum.*

A. Well, I don't think that the question of whether or not Poland veers away from Moscow is quite as simple as saying, can it be bought for \$60 million or \$70 million or \$100 million. This is all part and parcel of a very complicated and perhaps not very rapid process of evolution where some of the satellite countries are seeking to exercise a greater degree of independence. We are anxious to encourage that trend toward independence. We don't think we are going to buy anything spectacular just by putting up a certain number of dollars. And as to the figures you mentioned, I don't feel I can discuss them here because they are the subject of negotiations which are at the moment going on and it would perhaps prejudice those negotiations if I got into the numbers racket.

*Q. Mr. Secretary, if Egypt should continue to maintain her belligerency, in your opinion would this indicate on Egypt's part a lack of decent respect for the opinions of mankind?*

A. That is a little difficult to answer, I think, in the abstract. The question of belligerency is pretty difficult to answer I think, except in terms of certain specifics. You might say, for example, that the United States, despite the Korean armistice, exercises certain aspects of belligerency as regards Communist China—the provisions of the Trading With the Enemy Act, for example, are still in force. If, without regard to the general

question of belligerency you ask whether the Gaza Strip should be used as a base of fedayeen activities, if you ask whether or not ships should be allowed to pass through the Straits of Tiran, and if you ask whether or not Israeli ships should be allowed to pass through the Suez Canal, then I can answer those three questions. I think I have answered them. But I don't want to get into abstractions which are pretty difficult to deal with.

*Q. Well, putting it on those specifics, those last three that you mentioned, if Egypt insisted on belligerency in those three points, would you then in your opinion think she would be showing a disregard for the decent opinions of mankind?*

A. Well, I can't speak for all of mankind. (Laughter) How the rest of mankind would feel about it, I don't want to say; but, I think, as far as the public opinion of the United States is concerned, it would support the views which I have expressed here.

*Q. Mr. Secretary, it seems that the negotiations on aviation matters between the Netherlands and the United States have arrived at a complete deadlock. Would you mind telling us what, according to you, is the position now?*

A. Well, that again is one of these matters which, being in the course of unresolved negotiations, isn't aided by a discussion at a press conference. I would say that there has been an exchange of views. There has not yet been a resolution of certain differences which have arisen. We are not without hope that the differences still will be resolved.

*Q. Mr. Secretary, on the Suez Canal matter, time appears to be running out in the sense that the canal is about ready to resume full-scale operations. How long would you expect that these negotiations with Egypt would continue before some kind of decision would have to be reached or ought to be reached?*

A. Well, measuring the length of negotiations is a good bit like saying, how long is a piece of string? And sometimes the estimates prove not to be well founded. I would say that we ought to know, I would think, within the next 24 or 48 hours whether there is a likelihood of serious negotiations along lines which hold out promise. Now, if those negotiations develop, they in turn



might take some little time. On the other hand, it could be that the Egyptian attitude, as expressed during the next day or two, would indicate so little likelihood of a successful outcome that there would be no detailed negotiation.

*Q. At this time, Mr. Secretary, do you have any information on which way you think it might go?*

*A. None at all.*

*Q. Thank you, Mr. Secretary.*

## Building for Peace

*by Deputy Under Secretary Murphy<sup>1</sup>*

The world is now entering upon the second decade since the end of World War II. We have learned a lot in the past 10 years. Striking changes have taken place in Europe, in Asia, and in Africa. Our foreign relations have gone through at least three basic stages: in 1947 with the Marshall plan; in 1949-1950 with the Berlin airlift, the Communist attack in Korea, and the creation of NATO; and in 1953 with the decision that our national energy must be geared to the "long haul" in our contest with international communism.

In our planning for the next decade we must identify and understand the basic forces and trends at work. Then we must insure that our policies are calculated to use our means to the best advantage for shaping these forces. We must recognize that our means are not sufficient to halt or reverse these basic forces, and our aim must be to channel, deflect, and manage these forces in ways compatible with our interests.

At least three of these forces and trends are of overshadowing significance—hostile Soviet power, developing military technology, and the rise of the nations of Asia and Africa. These forces will merit our closest attention in the years to come.

The greatest threat to our security and that of the free nations is found in the hostility and strength of international communism. Our basic

endeavor is to meet that threat without destroying fundamental American values and institutions or damaging our own economy.

The Communist bloc has a well-balanced military array, ranging from very large armed forces to a considerable arsenal of nuclear weapons and modern delivery systems. Its ideology is uncompromisingly hostile. Absolute political power is concentrated in the hands of a few. It continues to devote a large proportion of its resources to development of military strength and heavy industry.

At the same time the Soviet rulers are confronted with strong pressures for change and for relaxation of rigid controls, both domestic and foreign. The de-Stalinization program, the ferment among Soviet academic and cultural groups, and the events in the satellites all reflect these pressures and the efforts of the Soviet leadership to adjust to them.

The astonishing growth of military technology can be pointed up by a few hard facts. Experts have made a thorough study of the increase of destructive power beginning with the age of gunpowder. What they call the "explosive index" has increased from a factor of one in the Middle Ages to eight on the eve of Hiroshima. The ratio jumped virtually overnight to 10,000. With the development of the H-bomb, the ratio went to 10 million. Compared with pre-Hiroshima 1945, therefore, the destructive power of war has multiplied over one million times. With the develop-

<sup>1</sup> Address made at the Conference on World Affairs at the University of Colorado, Boulder, Colo., on Apr. 4 (press release 186 dated Apr. 3).

ment of guided missiles, the ability to deliver this awesome destructive power is also on the verge of astonishing growth.

The rise of the new nations of Asia and Africa is a promising trend in postwar developments. Since the end of the war, 19 new nations with populations of about 700 million people have achieved independence. There will be a number more in the next few years. These nations are imbued with patriotism and with a desire for economic progress. They want to transform their countries into modern states by the most rapid means. The economic obstacles they face are indeed formidable, since the new nations have on an average about one-tenth of the per capita gross national product of the advanced nations. Communists from Moscow and Peiping seek to play on and distort the aspirations of the new nations and to stimulate their suspicions of the so-called colonial powers.

### **Our Fundamental Objectives**

The requirements for our national effort in the decade ahead will in some respect differ markedly from those of the last 10 years. But in their basic aspects they will continue to pose the same fundamental set of objectives:

First, we must maintain our own strength, for our strength is essential to the free world;

Second, we must keep our alliances strong and vigorous, for reasons which deeply involve both the spiritual purposes of our nation and the strategic requirements of this technological age;

And finally, we must work for the close association and cooperation of the uncommitted states and the emerging new nations with the active community of the free world, in order that the area of freedom may expand rather than contract.

These three fundamental tasks have been the constants of United States purpose since the end of World War II. They have been the unifying elements of the history of our exertions over the decade since the brief period of high hopes for honorable collaboration with the Soviet Union broke against the aggressive expansionism of Stalinist ambition. They characterized the period of the gathering cold war—the program to strengthen Greece, the foreign aid program, and the establishment of NATO. They marked the period of the hot wars in Korea and Indochina

and the recurrent crises of the Far East. They underlay the further development of the great systems of collective security and the purpose of our negotiations with the post-Stalinist leaders of the Communist world.

In the light of the requirements of our national strategy to influence the forces and trends at work in the world, a look at the main regions of the world may be profitable.

### **U.S. Support for Western Europe**

Europe is the area with which we have historically had the closest ties. Most of our basic concepts are products of European thought. Our social institutions, our predominant religions, and our cultural heritage were brought here by the people of Europe, whose descendants now largely populate our country.

If anything, the United States is now more closely involved in Europe than ever before in time of peace. American troops are standing with our allies in defense of free Europe. Our commercial relations with Western Europe are at levels which represent an alltime high. Political consultation with our European friends has been more active in the past few years than ever before in history. The successful conference just concluded at Bermuda is a good example of our consultation with one of our most important allies.<sup>2</sup> The North Atlantic Council, following a recent decision, is now one of the most important centers of political consultation for its 15 members as well as being a prime example of collective defense effort. It is the intention of the United States, together with its allies, to continue to strengthen NATO as a forum for productive international discussion.

In Western Europe steps have been taken and agreements reached which as little as 10 years ago would have been dismissed as fantastic. One of these is the development of Franco-German cooperation. These two countries work together in the Coal and Steel Community, cooperate in their common defense as members of NATO, and have succeeded in settling amicably the very difficult question of the Saar. More recently, they have joined with other nations in the agreements on EURATOM and the Common Market.

<sup>2</sup> For text of joint communique issued at close of Bermuda meeting on Mar. 24, see BULLETIN of Apr. 8, 1957, p. 561.



I would like to take a minute to discuss these two agreements, which have been much in the news lately.

The term "common market" refers to an agreement just concluded between Belgium, France, the German Federal Republic, Italy, Luxembourg, and the Netherlands. It involves the elimination of substantially all of the barriers to trade among those countries and the establishment of a common external tariff toward outside countries. The United Kingdom has expressed a desire to associate itself with the Common Market in a free trade area.

United States support of European proposals for a common market and free trade area is based on two traditional policies: our consistent support of moves to further the political and economic strength and cohesion of Western Europe within an expanding Atlantic Community and our longstanding devotion to progress toward freer non-discriminatory, multilateral trade and convertibility of currencies.

The Atomic Energy Community (EURATOM) is intended to mobilize in Europe the technical and industrial resources required to develop atomic power to meet that area's growing need for energy. It would also provide a political entity competent to afford adequate safeguards and to enter into comprehensive and practical engagements with the United States Government.

The United States Government welcomes this initiative for a bold and imaginative application of nuclear energy, and we anticipate active association with the European Atomic Energy Community.

### **The Satellites in Eastern Europe**

Moving to Eastern Europe, the events of the past year have been spectacular.

There can be no doubt that the developments in Hungary last October and November presented grave problems to the Kremlin. The Soviet rulers were faced with the choice of keeping faith with their own promises or of brutally maintaining their colonial empire. They chose the latter course. Reinforcements were rushed into Hungary, and in a month of bloody fighting the Hungarians were again ground into submission with the connivance of a puppet government headed by Janos Kadar. Communist ideology and methods were thus discredited all over the world. The

Soviet charge of "a Fascist counterrevolution inspired by U.S. and other Western agents" fooled no one outside the Communist orbit and probably very few inside.

Have the events in Hungary resulted in a renewal of the Soviet hard policy? This question cannot be answered as yet with any certainty. There have, however, been some straws in the wind. One of these is the threat of atomic retaliation against Great Britain, Norway, and Denmark. Another is the angry admonitions issued to Sweden and Finland on how they must behave if they expect to avoid Soviet enmity. A third has been the denunciation by the Soviets and satellites of the theory of "many roads to socialism." More and more we are told that there is only one road, that there is no such thing as "national communism," and that all communism must be "under the great leadership of the Soviet Union." And finally, we have the increasingly repressive measures in Hungary and indeed in all Soviet-occupied countries. Yugoslavia, the father of "national communism," again appears to be on the verge of excommunication as a heretic.

Gomulka in Poland is pursuing a very delicate balancing act which may illustrate his aim to offset experimental measures by the right amount of Communist orthodoxy. Poland's economic situation is unfavorable, and the Polish Government is trying to alleviate it by negotiations with several Western countries.

President Eisenhower has stated the position of the United States:<sup>3</sup>

We honor the aspirations of those nations which, now captive, long for freedom. We seek neither their military alliance nor any artificial imitation of our society. And they can know the warmth of the welcome that awaits them when, as must be, they join again the ranks of freedom.

We honor, no less in this divided world than in a less tormented time, the people of Russia. We do not dread—rather do we welcome—their progress in education and industry. We wish them success in their demands for more intellectual freedom, greater security before their own laws, fuller enjoyment of the rewards of their own toil. For as such things may come to pass, the more certain will be the coming of that day when our peoples may freely meet in friendship.

Any discussion of Soviet-occupied territory must give special attention to Germany. In the Eastern Zone, 17 million Germans are still held in unwilling bondage by the Soviet Army and a pup-

<sup>3</sup> *Ibid.*, Feb. 11, 1957, p. 212.

pet regime manipulated from Moscow. Like the Hungarians, these Germans have had bitter experience with Soviet tanks and weapons. They and their compatriots in the Federal Republic want a free, reunited Germany based on free elections.

For years the United States has urged that this opportunity be given them. The United States, together with the other nations directly concerned, will maintain its efforts to advance the cause of German reunification. It is our belief that this is one of the cornerstones on which the peace in Europe must be built.

#### **Unresolved Issues in Middle East**

Another area where there is cause for grave concern is the Middle East. Although considerable progress has been made through the United Nations in removing the dangers to world peace which resulted from the military action of last fall, less headway has been made in tackling the basic causes which led to the outbreak of hostilities.

The two unresolved issues which led to the explosion last October and November were the Arab-Israel issue and the problem of the Suez Canal.

The history of the Arab-Israel problem in the 7 years between 1949 and 1956 is a sorry record of disregard of United Nations resolutions and of violations on both sides of the Armistice Agreement. The Arabs felt angry and betrayed, particularly because some 900,000 of their fellow Arabs had been deprived of their homes and property and were leading a miserable existence as refugees huddled in camps around the border of the new state of Israel. The Israelis, on the other hand, felt frustrated and desperate because they were not able to achieve recognition of their very existence from their neighbors or to establish the kind of trade and intercourse with the neighboring states which could alone guarantee them a secure future.

The events of last October and November produced a determination on the part of the United Nations members to come to grips with the basic issues which prevented a solution of this problem. This feeling undoubtedly came somewhat from a sense of not having fully recognized the potential danger to world peace in this explosive situation and not having insisted more firmly upon compliance with U.N. resolutions.

Similarly the problem of the Suez Canal had been brought to the United Nations in October after a discouraging history of provocation and counterprovocation which had dimmed the prospects of finding a solution. Under the aegis of the United Nations, the Security Council succeeded on October 13 in agreeing upon six principles, which the British, French, and Egyptians, as the parties most directly concerned, worked out as the basis of an equitable solution.<sup>4</sup> The events of November disrupted this attempt at orderly progress as well, but at present the situation has been restored to a point where we think this problem, too, can again be approached through the preferable channel of negotiation.

In the course of the months immediately following the upheaval of October–November, it became evident that still another problem exists in regard to the area as a whole. The irresponsible and reckless behavior of the Soviet Union in threatening unilateral intervention in this dispute for the sake of achieving supposed political advantages made it quite clear that, unless some kind of a protective shield could be thrown around the area as a whole, the disruptive and subversive activities of the Soviet Union might vitiate attempts to progress toward stability and tranquillity in the area.

Since the United Nations was not equipped to deal with this last problem, the United States Government formulated a doctrine for the Middle East, which was proposed to Congress by the President on January 5 of this year.<sup>5</sup> Its objective is to provide economic and military assistance to those countries in the area desiring to cooperate with us in resisting Soviet encroachments, and thus to help develop the economic stability and internal security plus adequate national self-defense which could lead to a greater degree of self-confidence and feeling of security on the part of the states in the area.

The United States Government placed the Soviet Union and the world on notice that we would use our military power to deter or defeat overt aggression against any of the states in the area that desired our help. This program is being launched by a U.S. mission under the able direction of Ambassador Richards, former Congressman from South Carolina and chairman of the

<sup>4</sup> For text, see *ibid.*, Oct. 22, 1956, p. 616.

<sup>5</sup> *Ibid.*, Jan. 21, 1957, p. 83.



House Foreign Affairs Committee, who is now visiting the countries in the area.<sup>6</sup> He is making good progress in encouraging the stability and tranquillity which we believe are essential to guarantee peace.

In a further effort to protect the area of the Middle East against possible attack, the United States recently announced its willingness to participate actively in the work of the Military Committee of the five-nation Baghdad Pact.<sup>7</sup> This action was taken under the authority of the joint resolution approved on March 9.<sup>8</sup>

#### **Collective Defense in the Far East**

Our experience in the Far East has given us further confidence in collective security as an effective deterrent against aggression and war. Under the spur of outright aggression by the Chinese Communists, supported by the Soviet Union, collective-defense machinery in that area has developed rapidly and effectively.

The recent conference of the Southeast Asia Treaty Organization Council in Canberra was in a sense the coming of age of collective defense in the Far East.<sup>9</sup> The eight nations gathered there were in unanimous agreement that their banding together to resist Communist aggression had proved effective as a deterrent and as a positive force for peace and security in the area. On the positive side, for example, the Council noted the national development of new Asian states, such as the Republic of Viet-Nam and the approach of their objectives.

As Secretary Dulles reported, the growing strength, unity, and demonstrated will to resist has made it seem inexpedient to the Chinese Communists to continue to use methods of force to gain their objectives.

While we find room for hope from the success of SEATO and our other collective-security arrangements such as ANZUS (with which we are allied to Australia and New Zealand) and our bilateral treaties with the Republic of Korea, Japan, the Republic of China, and the Philippines, there certainly is no room for complacency. Chinese Communist support for Soviet action in Hungary and their continued defiance of the United Nations

carry serious implications for the free nations of Asia. The threat of overt aggression continues to cast a shadow in the Far East, and the free nations have no choice except to maintain their military strength, individually and collectively.

There is no question that the Communists continue to regard control of all Asia as one of their foremost goals on the road to world conquest, and they continue to push ahead on all fronts with a combination of subversion, offers of trade and aid, cultural exchange, and threats.

As always, they cut the garment to fit the cloth. While continuing their military buildup in North Korea in violation of their armistice pledges, they advance toward Japan with smiling countenance and outstretched hand, knowing Japan's urgent need to expand its trade and sources of supply. While strengthening the military forces of the Viet Minh in North Viet-Nam and supporting the Pathet Lao defiance of the Royal Government of Laos, they offer aid and technical assistance to neighboring Cambodia. While threatening repeatedly to take Formosa by force if necessary, they smugly talk of peace and friendship.

Our national security depends upon our remaining alert to all of these tactics, wherever they appear, and above all in remaining united and strong. We assist or plan to assist those nations of Asia who wish such help in strengthening their own resources and stability so that they can ward off the thrust of communism and add to the total deterrent force of the free world.

It is plain that the nations of Asia and Africa are going through a period of revolutionary change. The aspiration for economic development and a better life is widespread and powerful. Although many elements will affect the future of these nations, the extent to which their desire for economic development seems on the way to fulfillment will be one of the determining factors of their stability and continued freedom.

There can be no doubt, however, that a useful employment of American resources in furthering our national interest is to promote economic growth among nations needing it. I might point to India as a prominent example and one whose race against Red China for economic development has important implications for us.

We can provide an incentive for sound development if we will increase the continuity and flexibility of whatever funds are made available.

<sup>6</sup> *Ibid.*, Mar. 25, 1957, p. 481.

<sup>7</sup> *Ibid.*, Apr. 8, 1957, p. 561.

<sup>8</sup> For text, see *ibid.*, Mar. 25, 1957, p. 481.

<sup>9</sup> For text of final communique and statements by Secretary Dulles, see *ibid.*, Apr. 1, 1957, p. 527.

If it is possible to be more selective in the projects we support, and steadier in supporting the best ones, we can cause the applicants for aid to try to devise the best projects possible. In addition, we can assist recipients in developing better projects and in encouraging private investment, if we will render technical assistance not only in the carrying out of programs but in the designing of them.

We fully realize that the Congress is taking a hard look at foreign aid this spring. This is a good thing, and we hope that the studies now in progress will improve our policies on aid. The recent report by the President's committee under Benjamin Fairless<sup>10</sup> gave strong support to the view that our general programs of foreign assistance are necessary and useful.

### **Inter-American System, a Bulwark of Freedom**

In our own Western Hemisphere, which is vital to our security and well-being, the American Republics afford the rest of the world a model example of international cooperation. The regional strength and fellowship of the Organization of American States, which consists of the United States and the 20 neighboring Republics, is not only a hemisphere but a global force. The support given by the American peoples and their governments to the free world is, in hard fact, an inalienable and indispensable bulwark of freedom.

The OAS is the framework of our inter-American system. Through it, and within the larger frame of the United Nations, the American Republics seek to promote their common interests. In the words of the Declaration of Panamá, issued jointly by the Presidents of the American Republics at their historic meeting last July, it is the purpose of the American peoples "to create a civilization that will give tangible meaning to the concept of human liberty."<sup>11</sup> One of the immediate consequences of the Panama meeting was creation of the Inter-American Committee of Presidential Representatives, which is undertaking to study methods of combating poverty, disease, and ignorance throughout the hemisphere and to make recommendations to the OAS

in economic, financial, social, and technical fields.

Geography, history, and economics have made the individually independent peoples of this hemisphere collectively interdependent. Our 21 Republics have a total population of upwards of 380 millions in a total area of approximately 11 million square miles. Latin America, it may be noted, has the world's most rapidly increasing population growth: 2.5 percent annually as compared with the global average rate of 1 percent.

Obviously, our economic relationship with this region, so enormous both in area and in population, is necessarily a prime factor in our economy, as it is in theirs. About one-fifth of our total exports go to Latin America, and we obtain from Latin America about one-fifth of our total imports. We supply the Latin American Republics with approximately 47 percent of their imports and take 43 percent of their exports. In other words, around 44 percent of Latin America's total trade is with us. United States private enterprise currently proves its faith in Latin America's future by direct investment of approximately \$7 billion there. The effects of this great influx of private capital are reflected in the overall picture of hemisphere development—in higher living standards, improved conditions of public health and public education, diversified agriculture, increased industrialization, and in ever-broadening horizons of opportunity.

### **Role of the United Nations**

Recent months have given dramatic evidence of the value of the United Nations as a mechanism for fostering the rule of law in relations among nations. We have witnessed the great influence for peace which can be exerted when states heed and support the opinions of the United Nations, particularly when there is an overwhelming consensus in favor of constructive action. It is the policy of this Government to strengthen the legitimate role of the United Nations in advancing world peace with justice.

The recent emergency sessions of the General Assembly and the regular Eleventh Session have revealed new dimensions and new resources within the United Nations. In the Middle East a cease-fire and withdrawal of forces from the area of hostility were achieved. An unprecedented step was taken in the creation and deployment of the United Nations Emergency Force.

The speedy and efficient clearance of the Suez

<sup>10</sup> *Report to the President by the President's Citizen Advisers on the Mutual Security Program, March 1, 1957.* Copies may be obtained from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C., at 50 cents per copy.

<sup>11</sup> BULLETIN of Aug. 6, 1956, p. 220.



Canal, now virtually completed, was effected by the United Nations under contract with a private consortium. This vital task, an essential step in restoring some measure of economic and political stability in the Middle East, could not have been accomplished, under the conditions existing, without the intercession of the United Nations.

The office of the Secretary-General has played a powerful part in the handling of the Middle East crises. Mr. Hammarskjöld was given broad responsibility to act in behalf of the Assembly in bringing the UNEF into being, in arranging for clearance of the canal, and in negotiating with the several parties to the dispute.

On the other hand, the inability of the United Nations to secure compliance with its urgent resolution, and in particular to secure the withdrawal of Soviet forces from Hungary, is a source of deep disappointment among many peoples of the world. The blame for this failure lies squarely at the door of the Soviet Union, which cruelly massacred thousands of Hungarians who sought freedom from Soviet tyranny. Nevertheless, the United Nations has succeeded in focusing and maintaining the pressure of world opinion on these Soviet outrages. Its resolutions were a cogent reminder to all lovers of freedom of the callous threat which Soviet communism represents in the world today. The General Assembly climaxed its deliberations at the Eleventh Session with a specific condemnation of the U.S.S.R.—a condemnation which reflected the revulsion of European, Latin American, African, and Asian states, as well as our own, with the inhumane actions of Soviet communism.

The critical political and security issues with which the United Nations has been concerned, and their attendant publicity, tend to overshadow the steady advance that is being made through the organization on problems of vast concern for peoples throughout the world. Important progress, for example, is being made in establishing an International Atomic Energy Agency and bringing it into association with the United Nations as a new specialized agency. The statute for this agency was unanimously approved by the United Nations last fall and has just recently been sent by President Eisenhower to the Senate for its concurrence.<sup>12</sup>

New proposals on disarmament were advanced in the Eleventh General Assembly by both the Soviet Union and the United States. The Dis-

armament Subcommittee is now meeting in London in a determined effort to find common ground on which the beginnings of effective safeguarded disarmament and reduction of armed forces can be built. Our Government has some optimism that the first steps toward agreement may be taken in such critical fields as inspection, reduction of forces, registration and international observation of future nuclear testing, and bringing the nuclear threat under control.

I do not think it too much to say that, in the difficult and continuing task of maintaining peace in the world and striving toward the well-being and security of mankind, the United Nations is playing an indispensable role. It is a vital mechanism for advancing the common interests of the free world.

I have outlined some of the major forces at work in the world today, as well as the fundamental elements of our policy. I have also tried to give a brief picture of the important problems in the various regions of the world as we see them. In conclusion I should like to summarize a few of the major aspects of U.S. policies.

A fundamental aim of our foreign policy is to promote the well-being and security of the American people. Safeguarding the peace through development of our own strength and through collective security is a principal obligation in the world today. We must maintain the capacity to respond to any overt attack by the Communist powers. We must be prepared to respond with certainty, and we must retain flexibility in our choice of instruments if we are attacked. At the same time we must seek to reduce the risk of conflicts and to promote a retraction of Soviet power. We should continue to blunt those forces hostile to the free world and work to bring the strong forces of nationalism into cooperation with the free world.

It is obvious that this is not a program for a single year, or even for a decade. We are living in what President Eisenhower once termed "not a moment but an age of danger." And we must remember that our resources are not endless, our power not infinite. We must use our strength to make the changing forces proceed in an orderly way and in directions compatible with our national interests. This is the purpose of your Government. It is the task of all of us to make the best effort of which we are capable. In this way we can truly build for peace.

<sup>12</sup> *Ibid.*, Apr. 15, 1957, p. 615.

## **U.S. Lifts Restrictions on Travel to Four Middle East Countries**

Press release 181 dated April 1

The Department of State on April 1 lifted restrictions placed on travel of U.S. citizens to Egypt, Syria, Jordan, and Israel. These restrictions were instituted on October 31 and November 2, 1956,<sup>1</sup> in view of the outbreak of hostilities in the Middle East.

Authorization has also been granted for return of evacuated U.S. official personnel and their dependents to posts in the four countries.

Holders of passports which bear endorsements invalidating them for travel in Egypt, Syria, Jordan, and Israel or authorizing travel in one or more of these countries for a limited period may present them in person or by mail to the Passport Office of the Department of State at Washington, D. C., or to the passport agencies at Boston, New York, Chicago, New Orleans, Los Angeles, or San Francisco to have these endorsements voided. Persons abroad may present their passports to American Foreign Service offices.

## **Murder of U.S. Technicians in Iran**

Press release 178 dated March 28

The Department of State has learned with great sorrow and concern of the murder in Iran of Kevin Carroll, an official of the International Cooperation Administration, and Brewster Wilson, of the Near East Foundation, and the presumed abduction of Mrs. Carroll, apparently by bandits.

The Iranian Government, through the Iranian Ambassador at Washington, Ali Amini, and through the U.S. Embassy at Tehran, has expressed the deep regrets of His Majesty the Shah, the Prime Minister, and the Government of Iran and has given firm assurances that every effort is being made to apprehend the bandits and to secure the release of Mrs. Carroll.

The Iranian Government has ordered full mobilization of police facilities, including aircraft, and has dispatched Maj. Gen. Ali Qoli Golpira, Chief of the Iranian Gendarmerie, to Zahedan to direct the pursuit. Facilities and personnel of American official missions in Iran have likewise

been made available to cooperate with the Iranian Government.

Secretary Dulles and ICA Director John B. Hollister have written to the families of Mr. Carroll and Mr. Wilson to express their condolences. The Department of State is keeping in close touch with the family of Mrs. Carroll concerning developments as the search goes on.

Kevin Carroll and Brewster Wilson died while serving the best interests of their Government and their country. The Department of State pays tribute to their distinguished service, while mourning the tragic sacrifice it has exacted from them and their families.

## **U.S. Reaffirms Continuation of Aid to Iran**

Press release 185 dated April 2

The Department of State on April 2 reaffirmed that there has been no suspension of technical and economic assistance to Iran following the recent tragic deaths of Mr. and Mrs. Kevin Carroll and Brewster Wilson. Steps have been taken to restrict the travel of personnel in the area where the tragedy occurred. This was an administrative action to protect the safety of members, both Iranian and American, of the U.S. Operations Mission in that particular area.

The Department has expressed its appreciation for the great efforts of His Majesty the Shah, the Prime Minister, and the Government of Iran to locate and free Mrs. Carroll before her death was confirmed, and for their continuing efforts to apprehend and punish the bandit murderers.

## **Current Developments in Hungary**

Press release 188 dated April 3

In a joint declaration with the Soviet Government at Moscow on March 28 the Kadar regime has again denied the competence of the United Nations in the problem of Hungary. It has again falsified the record by alleging that the Hungarian uprising of October-November was a Fascist counterrevolution unleashed by the United States.

But the record is clear. The uprising was spontaneous. It was supported by the entire nation. It was crushed only by the intervention of Soviet armed forces. In these circumstances, the

<sup>1</sup> BULLETIN of Nov. 12, 1956, p. 756.



continued presence of Soviet forces in Hungary and the systematic repression of the Hungarian people constitute an open confession by the Kadar regime that it does not have the confidence of the people and cannot exist without the protection of Soviet troops.

The Kadar regime has vengefully sought to identify, seize, and punish those who took any part in the uprising of October-November. It has carried out arrests of Hungarian citizens on a mass scale. It has reinstituted by decree the cruel practice of banishment. It has ordered all residents of Hungary to report to the police for a check of identity cards. It has made clear in public statements that Soviet troops will remain in Hungary indefinitely for the purpose of protecting the regime and intimidating the Hungarian people.

These events can only be regarded as further steps toward the complete suppression of all human rights and liberties in Hungary. They mark a reversion to some of the worst practices of the Stalinist terror in that country and stand in ironic contrast to the celebration by Communists on April 4 of the "liberation" of Hungary by Soviet armed forces in 1945.

We believe that these developments will be of concern to the Special Committee established by the United Nations General Assembly on January 10 to investigate the problem of Hungary.<sup>1</sup> The Committee will report its findings to the General Assembly, which remains seized of the problem of Hungary.

## **Escapee Program Marks Fifth Anniversary**

Press release 170 dated March 22

The United States Escapee Program marked its 5th anniversary on March 22.

Now located in the Office of Refugee and Migration Affairs, Department of State, headed by Robert S. McCollum, the Escapee Program has returned to the Department, where it first operated after its creation in 1952. It was established under the Mutual Security Act and has been continued by annual appropriations. The program was transferred in 1956 from the International Cooperation Administration to the newly created Of-

fice of Refugee and Migration Affairs in the Bureau of Security and Consular Affairs.<sup>1</sup>

Mr. McCollum, now on a survey of the escapee situation in Europe and the Near East, pointed out in a departure statement on March 15 that a highlight of the Escapee Program's achievements came with the care, maintenance, transportation, and resettlement assistance it provided during the recent outpouring of escapees as a result of the Hungarian revolt.

Assistance by the Escapee Program supplements programs of local governments of asylum and of international and voluntary organizations engaged in refugee service. Resettlement of escapees aided by the program may be in any country where anti-Communist refugees are welcome to reestablish themselves as self-sufficient citizens of the free world.

Of approximately 255,000 escapees from Iron Curtain countries—including Hungarians—160,000 have had some of the services of the Escapee Program. These services range from welcoming kits containing items for personal comfort, cleanliness, and convenience for those newly arrived in the free world, on through further care, maintenance, and transportation, to full reestablishment, in many cases, in countries of destination.

The Escapee Program has played a major role in resettling about half the nearly 88,000 escapees who have gone to the United States, Canada, Australia, and to certain countries in South America and participated with other organizations in assisting the other half. The program has also had part in the resettlement of 54,000 in Western Europe. Some 113,000 have not been permanently resettled in any one spot. They are in temporary locations pending final destination.

Of the Office of Refugee and Migration Affairs, Mr. McCollum has said: "I hope in this area we may bring into focus for constructive consideration and action the many aspects of America's interests in escapees, refugees, and general migration problems.

"The United States must continue to exert leadership in the humanitarian as well as the economic and military fields. To justify our position and reputation in the free world, we must not fail to recognize that men and women everywhere are entitled to live in freedom, with dignity and with opportunities to improve their stations in life."

<sup>1</sup> BULLETIN of Jan. 28, 1957, p. 138.

<sup>1</sup> BULLETIN of Apr. 16, 1956, p. 651.

He asserted that the worldwide problem of refugees cannot be dealt with adequately by short-term planning, adding that "as long as oppressive dictatorships exist, as long as basic individual freedoms are denied, there will be people who flee to seek better lives and, thereby, create new refugee problems.

"Pleased as we may be about our country's part in accepting Hungarian escapees, we must combat any tendency to talk in terms of Hungarians only," Mr. McCollum cautioned. "The whole picture deserves constant emphasis. What of the millions of refugees from other countries?"

Pointing out that the United States has played leading roles in refugee problems from 1938 on, he stated that "Congress is now facing the continuing challenge of further action." Citing President Eisenhower's recent recommendation to Congress for "permanent legislation so that administrative authorities are in a position to act promptly . . . in facing [escapee] emergencies which may arise in the future,"<sup>2</sup> Mr. McCollum said:

"Our record of the past joins the issue of today. We have performed with credit. There can be no letting down. We must keep trying to alleviate the plight of the longtime refugee. We are bending every effort, with available legislation, to help in resettlement and integration. This continues a world challenge and a challenge to the United States to continue its leadership. Most of all we must value a long-range policy, flexible to meet any contingency, at the same time affording continuity of planning."

## **U.S. Delegations to International Conferences**

### **Intergovernmental Committee for European Migration**

The Department of State announced on March 28 (press release 177) that Scott McLeod, Administrator of the Bureau of Security and Consular Affairs, will head a 14-man U.S. delegation to the meeting of the sixth session of the Council of the Intergovernmental Committee for Euro-

pean Migration (ICEM) to be held at Geneva, Switzerland, April 8-13, 1957. The Council meeting will be preceded by a week's meeting of the 9-member Executive Committee, convening on March 28.

Francis E. Walter and Kenneth B. Keating, U. S. House of Representatives, will serve as alternate delegates to Mr. McLeod.

Public members who will serve as advisers are: Harold J. Gallagher, New York City, attorney; Mrs. Edwin I. Hilson, New York City; Judge Charles Rosenbaum, Denver, Colo., attorney; Nick I. Stepanovich, East Chicago, Ind., attorney; and Maj. Frederick Sullens, editor, Jackson, Miss., *Daily News*.

Other advisers to the Council meeting are: Robert S. McCollum, Deputy Administrator, Office of Refugee and Migration Affairs, Department of State; Walter M. Besterman, legal assistant, House Judiciary Committee; William F. Heimlich, consultant, Senate Judiciary Committee; and Pierce J. Gerety, consultant, Department of State.

George L. Warren, Adviser on Refugees and Migration, Department of State, will serve as acting U.S. representative to the Executive Committee meeting and as principal adviser to Mr. McLeod at the Council meeting. Elmer M. Falk, Office of International Administration, Department of State, will also act as adviser at both meetings.

ICEM, with funds supplied by 27 member governments, is continuing the extensive program undertaken in 1956 of transporting Hungarian refugees from Austria to countries of temporary or permanent asylum.

On the initiative of the United States, ICEM was established in 1951 to help relocate Europe's surplus manpower and refugees. The principal places of relocation providing new homelands and jobs are in Australia, Canada, and various South American countries.

Agenda items for the forthcoming meetings include a report by the director of ICEM on the work undertaken in 1956, a revised plan of operations, and budget and planning of expenditures for 1957. Another item on the agenda is the problem of moving Hungarian refugees from Yugoslavia and Austria.

<sup>2</sup> *Ibid.*, Feb. 18, 1957, p. 247.



## Advantages to the United States of Membership in Proposed Organization for Trade Cooperation

### MESSAGE OF THE PRESIDENT TO THE CONGRESS<sup>1</sup>

TO THE CONGRESS OF THE UNITED STATES:

The Secretary of Commerce is submitting for consideration by the Congress legislation to authorize United States membership in the Organization for Trade Cooperation.<sup>2</sup>

I urge its favorable consideration.

The advantages to the United States of membership in the Organization for Trade Cooperation are compelling. It would open the way to major benefits for American trade by providing day to day review and consultation on administration of our trade agreements. It would provide machinery for closer supervision and protection of the assurances contained in those agreements against discriminatory treatment of American exports, and thus increase the benefits we receive from those agreements. It would enable us more effectively to encourage the opening of new opportunities for our exports to compete in the world market on their commercial merit.

Foreign trade is a major economic activity in the United States. In 1956 our merchandise exports, excluding goods shipped under military assistance programs, amounted to over 17 billion dollars. They constituted a greater proportion of our gross national product than the value of all non-farm residential construction last year. In the field of agriculture alone exports provide the market for the product of about 40 million acres of land.

Because exports take only part of the production of most of our industries and farms, and because they move through so many stages of processing and handling on their way to foreign markets, we frequently overlook their importance. But they are vital to the welfare of our agriculture, labor and industry.

America's foreign trade has grown rapidly under our Reciprocal Trade Agreements Program. This program has been in effect for more than 20 years, but since 1946 its principal vehicle has been a multilateral agreement known as the General Agreement on Tariffs and Trade, signed by all the major trading nations of the world.

That agreement gives to the United States important tariff and other concessions, but some of the benefits of these concessions to our export trade have been offset by such measures as quotas, licenses, and exchange restrictions. These measures have under various circumstances had the effect of discriminating against United States exports, and limiting the benefits of tariff concessions which we received under the General Agreement.

The General Agreement provides for the orderly elimination of this discrimination against our trade, but, because of inadequate machinery for administration, these provisions have not been fully effective.

The Organization for Trade Cooperation, by making possible more business-like administration of those provisions of the General Agreement, will help to make our trade agreements more fully effective and assist us in expanding

<sup>1</sup> White House press release dated Apr. 3; transmitted on Apr. 3 (H. Doc. 146, 85th Cong., 1st sess.).

<sup>2</sup> For text of OTC agreement, see BULLETIN of Apr. 4, 1955, p. 579.

our markets abroad for United States products. At the present time, administration of the General Agreement is limited by the fact that the signatories meet only intermittently.

In my Message of April 14, 1955,<sup>3</sup> I reviewed the evolution of the General Agreement and the developments which led to the proposal for an Organization for Trade Cooperation. That Message was followed by exhaustive hearings before the Committee on Ways and Means of the House of Representatives<sup>4</sup> and in April 1956 that Committee approved a bill to authorize United States membership in the proposed Organization.

In reporting last year's bill the Committee on Ways and Means inserted a number of constructive amendments to assure that participation by the United States in the Organization for Trade Cooperation would relate solely to matters pertaining to international trade and that safeguards for domestic producers contained in our present trade legislation would be maintained unimpaired. These amendments have been strengthened and included in this year's bill.

The proposal being submitted by the Secretary of Commerce contains two new features not found in the bill approved by the Committee on Ways and Means last year. These are designed to provide further safeguards to insure that United States participation in the proposed Organization will be responsive to the problems and needs of American agriculture, labor and industry. The first is a provision to create an advisory committee consisting of representatives of American labor, industry, agriculture and the public to advise and consult with the United States chief representative on matters coming before the Organization. The second is a provision under which the United States chief representative would make an annual report to the President for transmittal to the Congress concerning

the effect of the activities of the Organization for Trade Cooperation on American labor, industry and agriculture.

In addition, the proposal contains provisions further clarifying the substantive safeguards already endorsed by the Committee on Ways and Means by explicitly stating that its enactment will not authorize, directly or indirectly, any further tariff reduction or other tariff concession by the United States not elsewhere authorized by the Congress.

The recent development of proposals for a common market and free trade area place Western Europe on the threshold of a great new movement toward economic integration. The Otc will help to assure that this movement will develop in ways beneficial to our trade and that of other free countries, avoiding the danger that regional trade arrangement will lead to new barriers and discriminations against our exports.

To achieve our objectives, it is essential that the United States chief representative to the Organization for Trade Cooperation be a person of wide experience in practical business matters, and that the members of the Advisory Committee likewise have had practical experience in their respective fields. I intend to appoint the Secretary of Commerce as Chairman of the Advisory Committee.

The foreign trade policies of the United States are based upon our reciprocal trade legislation and the agreements that have been negotiated under it. Until we establish the best possible machinery for administration of these agreements, we are needlessly failing to obtain their maximum possible benefits for American labor, industry, and agriculture. With membership in the proposed Otc we will be in the strongest possible position to achieve the full benefits that these agreements afford.

I recommend the early enactment of this proposal.

DWIGHT D. EISENHOWER

THE WHITE HOUSE,  
April 3, 1957.

<sup>3</sup> *Ibid.*, Apr. 25, 1955, p. 678.

<sup>4</sup> For statements by Secretary Dulles and Secretary of Commerce Sinclair Weeks, see *ibid.*, Mar. 19, 1956, p. 472.



## Principles of U.S. Foreign Economic Policy

*Statement by Thorsten V. Kalijarvi  
Assistant Secretary for Economic Affairs<sup>1</sup>*

I am appearing today in response to the committee's request for the Department of State to present its views on aspects of our foreign economic policy which serve to build a world of free peoples. Other officials of the Department have previously appeared to discuss the Soviet economic system.

My statement will describe for you how the United States, through its economic policies, is contributing to a strong community of free-world nations based upon the system of free private enterprise, a free flow of capital and exchange of industrial and other techniques, and a mutually profitable and expanding trade among the nations of the free world. There is a marked contrast between the Soviet system and ours which will be developed in this statement. Our major free-world partners, such as the United Kingdom, are of course also vitally interested in a strong free world and are working to this end. However, I wish today to limit myself primarily to our own economic policies.

First, to contrast these systems in general. As has been pointed out in earlier testimony, the economic diplomacy of the U.S.S.R. has as its aim furtherance of Soviet-brand communism. Its immediate objectives are to weaken the cohesion of the free world, to intensify neutralism, and to encourage countries to look to the Soviets for aid and leadership. Its long-range objective is to subvert and communize any nation which appears to be a likely political target. Its dream of an

ideal world is a politico-economic system planned and controlled from the Kremlin.

The aim of the United States in the conduct of our foreign economic policy has been to work not for enslavement of other peoples but for their freedom. Our immediate aims are to work with free peoples everywhere in helping to improve standards of living and to provide people with greater opportunities to develop their abilities and enrich their contributions to human life. Our long-range objective is to help make it possible for people throughout the world to choose the course of freedom independent of foreign domination or ideological slavery. Our aim is a world community of free and prosperous nations bound together by peaceful ties of trade, of mutual helpfulness, and of common ideals of human dignity. Thus conceived, the foreign economic policy of the United States has as its aim the "building of a world of free peoples."

Let us turn to three major aspects of our foreign economic policy that contribute to this overall aim, namely: (1) the encouragement of free competitive enterprise abroad; (2) the encouragement of the flow of capital and technical assistance abroad; and (3) the promotion of an expanding world trade.

### **Encouraging Free Competitive Enterprise Abroad**

First let us consider our policy of encouraging competitive enterprise in the free world.

As the committee is aware, there is no place for free enterprise in the Soviet economy. The monolithic Soviet state owns all the land, all the

<sup>1</sup> Made before the Subcommittee on International Organizations and Movements of the House Committee on Foreign Affairs on Apr. 3 (press release 187).

factories, and all the mines. Economic decisions are made by the Government, taking into account first the requirements of the Soviet state and giving only secondary consideration to the needs of the individual. Government ministries and agencies have absolute control over the entire economy. Both managers and workers are subject to the fullest kind of regimentation. Coercion is one of the principal means employed to obtain maximum effort from the Soviet worker.

Before proceeding to a description of the free-enterprise system, it is useful to point out that our economy has not developed in the way which Karl Marx envisaged as the inevitable course for a capitalist society. He did not conceive of the kind of evolutionary development which has taken place. The violent explosions and upheavals which he prophesied have not occurred. The free-enterprise system was supposed to be predatory but instead has provided a higher standard of living for all members of our society than at any time in the history of mankind.

In contrast with the Soviet economic system, the free competitive enterprise system is a reflection of the basic philosophy of democratic government. The foundation of such a system is the sanctity of private property, whether it be a factory or a farm. Competitive enterprise in a democracy is thoroughly responsive to the needs and interests of all citizens. It is a vigorous and dynamic system which stimulates changes and progress. This system encourages initiative, inventiveness, and greater productivity by the individual through affording him better opportunities to utilize his talents and to improve his personal status and well-being. Personal motivation to do a good job is inherent in the free competitive enterprise system because both the employer and the employee know their compensation is determined by the play of economic forces, not by arbitrary decisions of the state. The result is a maximum of production from a given set of resources and a high standard of living.

The essential characteristics of this system which produce these results are the following: first, ingenuity and risk-taking by management, which results in the development of new industries, the introduction of new products, and the use of improved methods of production; second, competition in the market place, which serves as a major stimulus to efficient production, lower

costs, and lower prices; and, third, protection of workers' rights through their participation in free independent labor unions.

Let me now mention some of the significant activities within the free nations of the world which serve to promote a system of competitive enterprise and which it is the policy of the United States to encourage. Of considerable significance are the European Coal and Steel Community and the proposed European Common Market, both of which have as their principal economic goal the elimination of both public and private barriers to trade among the six member countries as a means of stimulating more efficient production and improving standards of living. Worthy of mention is the fact that several Western European countries, within the framework of the Organization for European Economic Cooperation, have established national programs to improve industrial efficiency and increase productivity. A number of these same countries have enacted anticartel legislation designed to remove private restraints on production and trade. Particularly noteworthy is recent legislation adopted by the United Kingdom which promises to be one of the most effective anticartel laws yet enacted in Western Europe. Also of importance are the efforts being undertaken to develop free labor unions and constructive management-labor relations.

It should be emphasized that in our encouragement of free enterprise abroad the United States fully recognizes the right of other countries to determine their own forms of economic organization. What we want is for other peoples to have confidence in their innate capacities for economic progress through free institutions of their own.

The problem of encouraging competitive free enterprise in highly developed economies must of necessity differ substantially from the problem of encouraging it in countries with less developed economies. Productivity in these latter countries is generally very low. As a rule, it is inhibited by a shortage of administrative and managerial skills, by a shortage of capital for investment, and by a complex of public and private attitudes toward economic life which sometimes results in restrictive, high-cost production. One of the major problems, therefore, is producing changes in basic attitudes which will in time lead to changes in economic and business practices. A number of the less developed countries have attempted



to meet their problems by socialist devices, that is, government ownership or close control of basic industries or portions of them. This is not necessarily a manifestation of an ideology approaching communism. These governments apparently have determined that such action is necessitated by the economic facts of life with which they are confronted and that only thus can economic development be guided and achieved. It is important for us to understand these motivations in order to work effectively with these countries.

### **Expanding the Flow of Capital**

Let us next take up the second main aspect of our foreign economic policy which contributes to the objective of building a world of free peoples, namely, the encouragement of the flow of capital and technical assistance abroad. The need for expanding the flow of capital to the free nations will be considered first.

As the committee knows, developing economies need capital. Literally many countries, particularly the less developed ones, are capital starved. Recognizing this fact late in 1955, the U.S.S.R. began to exploit this situation by making attractive offers of credits to these countries. Substantial credits have now been granted to a number of carefully selected "political targets" outside the Soviet bloc.

The United States also has been aware of the needs of other free nations for capital and, as a matter of fact, was doing something to meet these needs long before the Soviets. Thus, the United States has undertaken many measures to encourage private investment abroad on a basis which contributes to efficient growth of the industries of other free countries. We are negotiating "friendship, commerce and navigation" treaties to establish an environment favorable to international investment and tax treaties for the avoidance of double taxation; we are offering government guaranties to private investors against the hazards of inconvertibility, expropriation, and war; we continue to provide a variety of information services to facilitate private foreign investment. We have taken the initiative in the establishment of the International Finance Corporation, which has been organized as an affiliate of the International Bank. The purpose of the Corporation is to encourage the growth of productive private enterprise, especially in the less developed

countries. To do this, the Corporation will invest in private undertakings in association with private investors and will revolve its investments by selling them to other private investors.

At this stage, however, private-enterprise capital can do only a part of the job. In the newly emerged countries of Asia and Africa the primary need is for basic development projects: power, communications, irrigation, and transportation—fields to which private capital is not likely to be attracted in sufficient quantities. Public funds are therefore necessary. This Government continues to invest public funds through the EXIM-BANK in meritorious development projects abroad for which private funds are not available. We give full support to the development lending of the International Bank. Through the mutual security program the United States is providing commodities and services to help friendly countries maintain adequate defense establishments. In addition, we are providing capital for development assistance in the form of loans repayable in local currency and, where necessary, as grants to those countries whose economic strength cannot be built up with adequate speed wholly by the normal processes of trade and investment.

Our surplus foods and fibers are being used to relieve distress abroad arising from famine or other urgent difficulties. We are also lending back to the nations buying our surplus agricultural commodities a substantial portion of the proceeds of the sales for the purpose of investment in economic development projects.

### **Technical Assistance**

In addition to encouraging the flow of capital abroad, we must also give technical assistance to the nations of the free world. This is particularly true of the underdeveloped countries, which are in great need of know-how and managerial skills.

Technical assistance is a relatively new field for the Soviets, but they are expanding it rapidly in anticipation of a future payoff in political benefits. In this field also the Soviets are concentrating their efforts in the less developed countries. At this time the Soviets probably hope to reduce or eliminate our influence in certain areas of the free world and at the same time build up a reservoir of good will for the U.S.S.R.

Our technical-assistance activities are a very

important complement to the economic aid program. Big dividends have accrued from the relatively small investment in technical assistance. Through bilateral arrangements with our free partners the United States has established agricultural, health, education, and other types of projects in virtually every free nation in the world. The United States also participates in multilateral programs of sharing technical skills. Among the most important of these is the United Nations Expanded Program of Technical Assistance. Experts have been recruited from 77 countries to help provide technical education in various forms.

In addition, the United States has supported the establishment of an International Atomic Energy Agency to make nuclear technology widely available in all its peaceful aspects and to allocate fissionable materials for benign uses. We are providing technical assistance in nuclear science, and we have given financial support for the installation abroad of reactors suitable for research in the peaceful uses of atomic energy. American industry is also playing an important role in the technical-assistance program by sharing its latest techniques and processes with other free countries.

### **Promoting World Trade**

Now let us turn to the third main aspect of our foreign economic policy which contributes to the aim of building a world of free peoples—the promotion of world trade. In no place is there a sharper contrast between the policies and practices of the U.S.S.R. and the United States than in the trade field. This contrast is, in a sense, a reflection of the two economic systems.

There is, of course, no place for the private trader in the foreign trade of the Soviet Union. All Soviet foreign trade is completely regimented and carried on through a state trading apparatus. As a result, in this field as in every other field of Soviet foreign economic policy, political motives are predominant in that the Soviet leaders select countries to trade with which they feel they can influence by economic deals. For example, bulk purchases from free-world countries are often timed for maximum political effect. In their efforts to expand trade with the free world, the Soviets have depended primarily on bilateral trade agreements and specific barter deals.

By way of contrast, the nature of our competitive enterprise system determines in large part the manner in which we conduct our foreign trade. Most of our foreign trade is carried on by private traders. Their decisions are based largely on considerations of the market place, not on political motivations.

As a matter of governmental trade policy the United States has sought to achieve an expanding world trade through international cooperation as a stimulant to our own economic growth and security as well as that of other free nations. Its objective is to minimize government controls over trade so that the influence of the market place may have its maximum impact.

The United States is doing this in recognition of the basic mutual benefits which flow from trade among countries. Through the process of international specialization, the countries of the free world are interdependent for sources of materials and goods and for markets for the goods which they produce. Through international trade, countries in effect increase their productivity by marketing those things which they produce in surplus and buying those things which they cannot produce efficiently. A country may be able to achieve a considerable amount of self-sufficiency through severe restrictions to trade, but no country is so blessed with resources that it could do so without sacrificing a degree of economic well-being and economic development.

In addition, with ample opportunities for trading with the United States and with each other, the countries of the free world can better resist the pressures, both from their own commercial interests and increasingly from the Soviet Union, to become dependent on trade with the countries of the Communist bloc. This issue is particularly crucial in the underdeveloped areas of the free world, which are feeling the brunt of the Soviet economic offensive. Some of these countries in Asia, Africa, and the Middle East now have very substantial trade with the Soviet bloc.

As a means of developing mutually beneficial trade, the United States pioneered in promoting cooperative action in the trade field when it adopted the reciprocal trade agreements program in 1934. By 1945 the United States had signed bilateral trade agreements with 29 countries. Bilateralism in trade relations gave way to multilateralism after World War II because experi-



ence had shown that the complex problems of international trade could not be dealt with effectively on a bilateral basis. The product of this experience was the General Agreement on Tariffs and Trade, to which there are 35 signatories, including the major trading nations of the free world.

By the establishment of accepted principles of trade policy and procedures for resolving trade disputes, a measure of stability in world trade has been created which has contributed significantly to its overall expansion.

In conclusion, I think it is clear that the various aspects of our foreign economic policy which

have been discussed here will help the nations of the free world the better to resist the Communist challenge. However, it is important to stress the fact that this Government has a deep-seated and enduring interest in the economic growth and development of other free nations, quite apart from the important political problem of resisting the spread of communism. In other words, we are seeking to better the economic status of the people of all free nations, not just to be in opposition to something but because we sincerely believe it is a positive good. If we are successful in these efforts, I believe that this nation will have made a significant contribution to the building of a world of free peoples.

## **Limitations on Travel of American Citizens Abroad and on Cultural Exchanges**

### **STATEMENT BY DEPUTY UNDER SECRETARY MURPHY<sup>1</sup>**

It is a privilege to have this opportunity to appear before you and to review with you the question of the limitations imposed by the Department of State on the travel of American citizens abroad and certain related matters bearing on the exchange of persons between the United States and other countries.

Also at your express wish, Mr. Chairman, I shall review the question of the ban on travel to Communist China of American newsmen and address myself to the policy aspects of limitations on overseas travel of Americans and on cultural exchanges generally.

There is an accumulation of tradition as to exactly what a passport is and what rights citizens bearing passports have. The basic passport law dates back to 1856, although passports have been issued by the Secretary of State since the founding of the country. In fact, Congress enacted legislation in 1803 and in 1815 which specifically

took cognizance of the fact that the Secretary issued passports under his general authority to conduct foreign relations.

In 1856 the Congress also recognized that the President was responsible for the protection of American citizens abroad. This responsibility was later specifically assigned to the President by an act of Congress on July 27, 1868, by which the President was authorized to take measures "not amounting to acts of war" to insure the release of any American citizen "unjustly deprived of his liberty by or under the authority of any foreign government."

Although the Congress recognizes the President's obligation to protect American citizens abroad and to secure their release when unjustly held by foreign governments, Congress has traditionally recognized the Secretary of State's authority to issue passports. This was most recently reflected by an act of Congress of July 3, 1926. This act states that the Secretary or his designated representative may grant and issue passports "under such rules as the President shall designate and prescribe for and on behalf of the United States."

<sup>1</sup> Made before the Senate Foreign Relations Committee on Apr. 2 (press release 182).

## Discretionary Control Over Issuance and Validation of Passports

The Secretary of State historically has decided which citizens should receive passports and for what countries their passports should be validated.<sup>2</sup> Under section 51.135 of the Department of State Regulations, as amended January 10, 1956, passports are denied to members of the Communist Party and to certain other citizens who support the Communist movement. In addition, section 51.136 proscribes the issuance of passports to certain other individuals. This regulation states:

In order to promote and safeguard the interests of the United States, passport facilities, except for direct and immediate return to the United States, will be refused to a person when it appears to the satisfaction of the Secretary of State that the person's activities abroad would: (1) violate the laws of the United States; (2) be prejudicial to the orderly conduct of foreign relations; or (3) otherwise be prejudicial to the interests of the United States.

In addition to his discretionary control over which individual citizens are issued passports, the Secretary of State may also decide which countries they may visit. This takes the form of a validation stamp in each passport, stating which countries may or may not be visited. Policy decisions as to which countries are intended in the ban are continually reviewed in the light of current developments. During wartime, passports are validated for relatively few countries and close check is kept on which areas are safe for American travel. During World War II, for example, American passports were only good for 6 months and were taken up at the frontiers when citizens returned to the United States.

Generally speaking, the United States will not validate passports for travel to countries with which we do not have diplomatic relations. Americans traveling to such countries cannot be extended the usual protection offered American citizens and property abroad by our embassies and consulates abroad. At the present time, the following inscription is printed in every United States passport:

This passport is not valid for travel to the following areas under control of authorities with which the United States does not have diplomatic relations: Albania, Bulgaria, and those portions of China, Korea and Vietnam under Communist control.

<sup>2</sup> For text of passport regulations, see 22 *Code of Federal Regulations* 51.135 through 51.143.

In addition to not validating passports for countries with which we have no diplomatic relations, the Secretary of State may, from time to time, decide that the safety of American citizens cannot be fully protected in certain countries. This is one of the reasons for the present ban on travel to Hungary<sup>3</sup> and the recent ban on travel to the four nations in the Middle East—Israel, Egypt, Jordan, and Syria. The Secretary of State, while considering it advisable not to validate passports for Hungary, for example, nevertheless retains the right to except certain groups, whose travel to those areas would be in the interests of the United States. Groups often excepted in such cases are Red Cross and relief workers, priests and missionaries, and the press.

When the Secretary believes that the current situation in any particular country is stable once more, he then may lift the ban on travel there either for particular groups or for all citizens. Yesterday, as the most recent case in point, the situation in the Middle East was considered to have stabilized sufficiently for the four-country ban to be removed.<sup>4</sup>

One reason for not allowing citizens to travel to certain countries, in addition to the safety of the individuals involved, is the psychological pressure which can be brought to bear on a country by not allowing Americans to enter it. For example, the United States cut off travel to Czechoslovakia after United States newspaperman William Oatis was imprisoned. The unfavorable publicity received by the Czechs abroad and their desire to have American newsmen and tourists visit Czechoslovakia undoubtedly contributed to the release of Mr. Oatis.<sup>5</sup> Such pressure would have been impossible had the Secretary not had the authority to stop travel to Czechoslovakia.

### Ban on Travel to Communist China

As a specific case history, the committee may wish to have a brief analysis of the policy reasons why Americans are not permitted to travel to Communist China, beyond the reasons that we

<sup>3</sup> For text of U.S. note to Hungary concerning reinstitution of passport validation requirements, see *BULLETIN* of Feb. 13, 1956, p. 246.

<sup>4</sup> See p. 654.

<sup>5</sup> For Department statement on prohibition of travel to Czechoslovakia, see *BULLETIN* of June 11, 1951, p. 932; for Department announcement on release of William N. Oatis, see *ibid.*, June 1, 1953, p. 785.



have no diplomatic relations with it. Public attention has been focused on the refusal to authorize travel by newsmen, but I should make it clear that this applies to all other citizens as well.

Many other categories of travelers—missionaries, scholars, educators, public officials, relatives of imprisoned Americans—have been refused passports to Communist China. Let me put it this way: the special advantages or disadvantages of allowing any one group to travel there were not the governing factor. The decision, and the reasons behind it, applied equally to all Americans.

And let me make one other point clear before giving those reasons: the skill and impartiality of American correspondents were never a point at issue. The vital importance of a full flow of information about conditions in mainland China has been recognized throughout.

The reasons, stemming from fundamental United States foreign policy, may be summarized as follows:

(1) A state of unresolved conflict exists between the United States and the United Nations on the one hand and Communist China on the other. The armistice, signed in 1953, was to continue until a political settlement was reached. No such settlement has ever taken place, owing to the refusal of the Chinese Communists to consider any terms acceptable to the United Nations. The national emergency, proclaimed by the President at the time of the original Communist attack in Korea, is still in effect. All trade and financial transaction with Communist China are prohibited by United States laws and regulations. In time of war, travel in enemy territory is denied to United States citizens. In the present state of national emergency, travel to Communist China is similarly denied.

(2) The Communist Chinese threat against the Republic of China, with whom the United States has a treaty of mutual defense, remains clear and present. The Chinese Communist buildup on the mainland opposite Formosa continues. They have specifically refused to enter into any agreement renouncing the use of force in the Formosa area. Under such conditions the United States believes that mainland travel by its citizens is unwise.

(3) Since, as I have said, the United States does not recognize the Chinese Communist regime, normal diplomatic and consular protection for United States travelers there cannot be extended. This situation is highlighted by the fact that the

Chinese Communists have taken, and are still holding, political hostages. Here is strong evidence of the need for such protection. Even if the citizen applying for a passport would waive his right to such protection, the Government must extend it to the limit of its capabilities.

(4) The Chinese Communist regime, which came to power by armed insurrection, has consolidated that power by a series of lawless acts. These include invasion of North Korea and attack on United Nations forces there, and illegal imprisonment of American citizens without trial. It also includes flagrant violation of the Korean Armistice Agreement by the introduction of new weapons and aircraft in North Korea, and, as we have seen, it includes the continuing buildup of forces on the mainland opposite Formosa. In all these instances, the opinion of the rest of the world has been cynically disregarded. Now Communist China seems to feel the need for respectability and acceptance into the family of nations. One of the requisites of such respectability is the establishment of trade relations and cultural exchanges with the United States. The prerequisite thus is a relaxation of United States travel restrictions.

#### **A Form of Blackmail**

The wish of the Chinese Communists for greater respectability has been confirmed in the series of meetings at Geneva between United States Ambassador U. Alexis Johnson and Communist Chinese Ambassador Wang Ping-nan, which began on August 1, 1955. It was there that the Chinese Communists agreed that all American citizens in their country so desiring should be allowed to return to the United States and undertook to facilitate that return. Despite this unequivocal commitment of September 10, 1955, eight United States citizens are still held prisoners.<sup>6</sup> Ambassador Johnson has taken the firm position that the cultural exchanges and visits by newspapermen now desired by the Chinese Communists could not be considered while United States citizens were still held prisoner. To do so might well destroy their last chance for freedom and would most certainly be giving in to a form of blackmail.

It is also necessary, of course, to consider the effect upon our friends and allies should

<sup>6</sup> For background, see *ibid.*, Feb. 18, 1957, p. 261. Two of the imprisoned Americans, the Rev. Fulgence Gross and Paul Mackinsen, were released in March 1957.

the United States yield under such pressure. Confidence in our determination to resist the aggressive designs of communism would be weakened. The position of leadership which we have accepted would be seriously undermined. It would be most difficult for us to urge others, many of whom must depend in part on our strength, to stand unafraid and unflinching before the Communist threat. It is well known that this threat often takes the form of economic and cultural penetration.

As Secretary Dulles has recently said in his press conference,<sup>7</sup> this whole question of the visits by newspapermen to mainland China is under continuing review. If a formula can be found to permit their coverage of conditions there without affecting American lives and indulging in a form of appeasement by yielding to blackmail, we would all be greatly relieved.

#### **Cultural Exchanges With Communist Countries**

Now in this kindred matter of cultural exchanges with other Communist countries, and the limitations thereon, I would like to make certain points clear: first of all, we have no exchanges of any kind with countries which we do not recognize—Bulgaria, East Germany, Albania, North Viet-Nam, and North Korea, as well as Communist China.

At the present time, such exchanges, either official or private, are suspended with Hungary. American passports are not valid for travel to Hungary except, as we have seen, for certain special categories.

For some time now, the Department has taken no initiative in the matter of officially sponsored exchanges with the U.S.S.R. There has been considerable exchange activity, however, with Poland and, to a lesser extent, with Czechoslovakia and Rumania. At the present time a Polish coal delegation is in this country, as well as their mission on economic aid. An unofficial United States housing delegation expects to go to Poland in June in reciprocity for a Polish visit to the United States last November. Three Rumanian observers, you will remember, covered our election last November, and it is hoped that some kind of reciprocal visit to Rumania by American political experts and scholars will take place shortly.

The refusal of Communist countries to abide by

our visa requirements and allow their nationals to be fingerprinted has severely limited exchanges in the cultural field. Obviously, we cannot regard a troupe of entertainers as Government officials. So a kind of impasse exists. Unless the fingerprinting requirement for nonofficial visas is legally removed, it is to be expected that the Soviet bloc will continue to use it as an excuse for propaganda to the effect that we have erected our own Iron Curtain. And it further gives them the opportunity to deny visits of American cultural groups because of our seeming failure to apply reciprocity.

#### **Exchange Program With Free-World Countries**

This small trickle of exchanges with certain of the Communist countries, is, we hope, temporary. The Secretary of State is currently studying this problem with a possible expansion in mind. We believe in the kind of understanding and good will that exchanges of people in many professions and walks of life engender. Our own International Educational Exchange Program with the world outside the Iron and Bamboo Curtains is a flourishing and successful one which we feel has increased American understanding of our allies and of other countries of the free world and, we have every reason to believe, helped tell the American story abroad.

A current example of how this free-world program works is the sharp increase in planned exchanges with Africa. The trend toward independent status for colonial areas and trust territories, as they become ready for the responsibilities of self-government, has been a continuing one. The contemplated increase in our program for fiscal year 1958 is particularly oriented toward the development of African educational facilities and toward an expansion of the leader program and the specialist program there. For example, the number of exchange grants contemplated for the newly independent nation of Ghana will be increased, it is hoped, from 13 to 40.

If any argument were needed, over and above the compelling one of increased two-way understanding, it could be pointed out that there has been a marked interest on the part of the Communists in these newly emergent countries and that it has taken the form of providing educational facilities for African leaders and potential leaders. And their interest in other countries re-

<sup>7</sup> *Ibid.*, Mar. 25, 1957, p. 482.



mains constant as well. Vice President Nixon, for example, on his return from his recent African tour emphasized to us the importance attaching to exchanges with African countries as well as other efforts in the cultural and economic fields.

If we believe, as we all do, that our way of life is the true one and the Communist way is the false, it seems to me that a thriving exchange program, which conveys the story of the American way and the way of the free world, is a *must* in the continuing battle for the minds of men.

#### STATEMENT BY ROBERT F. CARTWRIGHT<sup>\*</sup>

We are happy to appear before your subcommittee this morning in response to the request made in the chairman's letter dated March 22, 1957, to furnish whatever information we can regarding current State Department issuance policy, procedure, regulations, and practices.

The Department of State representatives present have been made available to assist the subcommittee in its study. We hope to be able to furnish answers to your questions. In the event there is any information which is not immediately at hand, we shall be glad to furnish it later for the record, consistent with the committee's wishes.

It may be helpful at this point if some general statements might be made to demonstrate the Department's position in relation to its responsibilities in the passport field. With that in mind I would like to quote for the record at this time certain portions of the statement made by Deputy Under Secretary Robert D. Murphy, before the Senate Foreign Relations Committee on April 2, 1957. Copies of Mr. Murphy's statement are available for the record if the committee wishes them, but I would like to quote here certain paragraphs which I feel deal directly with the immediate interests of this subcommittee.

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<sup>\*</sup> Made before the Subcommittee on Constitutional Rights of the Senate Committee on the Judiciary on Apr. 4 (press release 190). Mr. Cartwright was Acting Administrator of the Bureau of Security and Consular Affairs.

[At this point, Mr. Cartwright read from Mr. Murphy's statement, the third through the eleventh paragraphs.]

In addition to the bases for denial of passports cited in the quoted portions of Mr. Murphy's statement, the passport regulations of the Department of State provide that persons denied passports be advised in writing of the tentative refusal and of the reasons on which it is based, as specifically as, in the judgment of the Department of State, security considerations permit. Upon request and before refusal becomes final, the applicant is entitled to present his case and all relevant information to the Passport Office on an informal basis. At this time he is entitled to appear in person before a hearing officer and to be represented by counsel. Upon request he will confirm his oral statements in an affidavit for the record. Thereafter the Passport Office must review the record and after consultation with other interested offices will advise the applicant of the decision. If the decision is adverse, the applicant must be advised in writing and the letter must contain the reasons on which the decision is based as specifically as the Department of State security limitations permit. The letter shall also advise the applicant of his right to appeal the decision.

The administrative body handling appeals of this type is composed of not less than three officers of the Department of State, designated by the Secretary of State. The Board [of Passport Appeals] is required to adopt and has adopted and publicized its rules of procedure, including recognition of the applicant's right to a hearing, right to representation by counsel, and providing for the applicant's opportunity to inspect the transcript of his testimony. Likewise, other witnesses must have the right to inspect their testimony if they wish.

The Board has the duty of advising the Secretary of State of the action it finds necessary and proper to the disposition of the case, and to this end the Board may call for further clarification of the record, additional investigation, or other action consistent with its duties.

Copies of the passport regulations of the Department of State are available for the committee.

## TREATY INFORMATION

### Educational Exchange Agreement With Paraguay

Press release 191 dated April 4

The Governments of Paraguay and the United States on April 4 signed an agreement putting into operation a program of educational exchanges authorized by the Fulbright Act. The signing took place at Asunción with Raul Sapena Pastor, Paraguayan Minister of Foreign Affairs, representing his Government and Ambassador Arthur A. Ageton representing the Government of the United States.

The agreement provides for the expenditure, over a period of 3 years, of Paraguayan currency equivalent to \$150,000 received from the sale of surplus agricultural products in Paraguay to finance exchanges of persons between the two countries to study, do research, teach, or engage in other educational activities. The purpose of the program is to further the mutual understanding between the peoples of Paraguay and the United States by means of these exchanges.

Under the terms of the agreement a Commission for Educational Exchange Between the United States of America and the Republic of Paraguay will be established in the latter country to facilitate the administration of the program. The Commission's board of directors will consist of eight members with equal representation as to Paraguayan and U.S. citizens in addition to the U.S. Ambassador, who will serve as honorary chairman. All recipients of awards under the program authorized by the Fulbright Act are selected by the Board of Foreign Scholarships, whose members are appointed by the President of the United States. The Board maintains a secretariat in the Department of State.

With the signing of this agreement, Paraguay becomes the 37th country to participate in the educational exchange program initiated 10 years ago under authority of the Fulbright Act. Educational exchanges between Paraguay and the United States have been carried out for a number of years under the Act for Cooperation Between the American Republics, the Smith-Mundt Act,

and other legislation. This agreement will considerably augment the present number of exchanges.

After the members of the Commission have been appointed and a program has been formulated, information about specific opportunities to participate in the exchange activities will be released.

### Brazilian Copyright Proclamation

#### DEPARTMENT ANNOUNCEMENT

Press release 183 dated April 2

A copyright proclamation issued on April 2 by President Eisenhower in conjunction with an exchange of diplomatic notes between the United States and Brazil served to establish a supplementary copyright arrangement between the United States and Brazil. The notes were exchanged between C. Douglas Dillon, Deputy Under Secretary of State for Economic Affairs, and Ernani do Amaral Peixoto, Brazilian Ambassador to the United States. This arrangement reaffirms the continued existence of reciprocal copyright relations, based upon the Buenos Aires Convention on Literary and Artistic Copyright of 1910,<sup>1</sup> and for the first time provides for the protection in the United States of works of Brazilian nationals in musical recordings.

The United States and Brazil have enjoyed reciprocal copyright relations since 1915 on the basis of the Buenos Aires Convention of 1910. However, a decision of the United States Court of Appeals in New York held that the 1910 convention did not entitle Brazilian nationals to protection under the United States copyright law for their recorded musical works. In that case, the owners of the Brazilian copyright in the popular song "Tico-Tico" attempted, without success, to bring an infringement action against various United States music publishers and broadcasters for unauthorized performance of the musical composition by means of phonograph records.

The April 2 action, affording Brazilian and United States nationals complete reciprocal protection for their literary and artistic works, will be of significant importance in encouraging and

<sup>1</sup> 38 Stat. 1785.



assisting the increasing exchange of Brazilian and United States works, particularly in the musical field.

## PROCLAMATION 3175<sup>2</sup>

WHEREAS section 1 of title 17 of the United States Code, entitled "Copyrights", as codified and enacted into positive law by the act of Congress approved July 30, 1947, 61 Stat. 652, provides in part as follows:

Any person entitled thereto, upon complying with the provisions of this title, shall have the exclusive right:

(e) To perform the copyrighted work publicly for profit if it be a musical composition; . . . *Provided*, That the provisions of this title, so far as they secure copyright controlling the parts of instruments serving to reproduce mechanically the musical work, shall include only compositions published and copyrighted after July 1, 1909, and shall not include the works of a foreign author or composer unless the foreign state or nation of which such author or composer is a citizen or subject grants, either by treaty, convention, agreement, or law, to citizens of the United States similar rights.

and

WHEREAS section 9 of the said title 17 provides in part that the copyright secured by such title shall extend to the work of an author or proprietor who is a citizen or subject of a foreign state or nation;

(b) When the foreign state or nation of which such author or proprietor is a citizen or subject grants, either by treaty, convention, agreement, or law, to citizens of the United States the benefit of copyright on substantially the same basis as to its own citizens, or copyright protection, substantially equal to the protection secured to such foreign author under this title or by treaty; or when such foreign state or nation is a party to an international agreement which provides for reciprocity in the granting of copyright, by the terms of which agreement the United States may, at its pleasure, become a party thereto.

and

WHEREAS section 9 of the said title 17 further provides:

The existence of the reciprocal conditions aforesaid shall be determined by the President of the United States, by proclamation made from time to time, as the purposes of this title may require . . .

and

WHEREAS the Government of the United States of America and the Government of the United States of Brazil are parties to the Convention on Literary and Artistic Copyright, signed at Buenos Aires on August 11, 1910; and

WHEREAS satisfactory official assurances have been received that under provisions of Brazilian law and by the terms of the above-mentioned Convention of Buenos Aires citizens of the United States of America are entitled to obtain copyright in the United States of Brazil for their works on substantially the same basis as citizens of the United States of Brazil, including rights similar to those provided by section 1 (e) of title 17 of the United States Code:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do declare and proclaim:

That there exist with respect to the United States of Brazil the reciprocal conditions specified in sections 1 (e) and 9 (b) of the said title 17 and that citizens of the United States of Brazil are entitled to all the benefits of the said title 17:

Provided, that the provisions of section 1 (e) of the said title 17, so far as they secure copyright controlling parts of instruments serving to reproduce mechanically the musical work, shall apply only to compositions published and copyrighted after the date of this proclamation which have not been reproduced in the United States prior to the date hereof on any contrivance by means of which the work may be mechanically performed.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this second day of April in the year of our Lord nineteen hundred [SEAL] and fifty-seven, and of the Independence of the United States of America the one hundred and eighty-first.



By the President:

JOHN FOSTER DULLES,  
*Secretary of State.*

## Current Actions

### MULTILATERAL

#### Atomic Energy

Statute of the International Atomic Energy Agency.  
Done at New York October 26, 1956.<sup>1</sup>

*Ratification deposited:* Guatemala, March 29, 1957.

#### Copyright

Universal copyright convention. Done at Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.

*Ratification deposited:* Cuba, March 18, 1957.

Protocol 1 concerning application of the convention to the works of stateless persons and refugees. Done at Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.

*Ratification deposited:* Cuba, March 18, 1957.

Protocol 2 concerning application of the convention to the works of certain international organizations. Done at Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.

*Ratification deposited:* Cuba, March 18, 1957.

#### Finance

Memorandum of understanding regarding German assets in Italy. Signed at Rome March 29, 1957. Entered into force March 29, 1957.

*Signatures:* France, Italy, United Kingdom, and United States.

<sup>1</sup> Not in force.

<sup>2</sup> 22 Fed. Reg. 2305.

## Fisheries

Protocol amending the international convention for the northwest Atlantic fisheries of February 8, 1949 (TIAS 2089). Done at Washington June 25, 1956.<sup>1</sup>

*Ratification deposited:* Canada, March 27, 1957; United Kingdom, April 2, 1957.

## War

Geneva convention relative to treatment of prisoners of war;

Geneva convention for amelioration of condition of wounded and sick in armed forces in the field;

Geneva convention for amelioration of condition of wounded, sick and shipwrecked members of armed forces at sea;

Geneva convention relative to protection of civilian persons in time of war.

Dated at Geneva August 12, 1949. Entered into force October 21, 1950; for the United States February 2, 1956. TIAS 3364, 3362, 3363, and 3365, respectively.

*Ratification deposited:* Iran, February 20, 1957.

## Wheat

International wheat agreement, 1956. Open for signature at Washington through May 18, 1956. Entered into force July 16, 1956, for parts 1, 3, 4, and 5, and August 1, 1956, for part 2. TIAS 3709.

*Acceptance deposited:* Netherlands, March 27, 1957.

## BILATERAL

### Brazil

Agreement providing for reciprocal copyright protection of literary, artistic, and scientific works. Effected by exchange of notes at Washington April 2, 1957. Entered into force April 2, 1957.

### Italy

Agreement amending the agricultural commodities agreement of October 30, 1956, as amended (TIAS 3702, 3760, and 3762). Effected by exchange of notes at Rome March 26, 1957. Entered into force March 26, 1957.

Memorandum of understanding regarding war damage claims. Signed at Rome March 29, 1957. Enters into force upon notification by each Government to the other that the formalities required by their respective laws have been complied with.

### Portugal

Agreement extending the agreement for use of facilities in the Azores of September 6, 1951 (TIAS 3087). Effected by exchange of notes at Lisbon December 31, 1956, and February 2, 1957.

### Spain

Agreement relating to the loan of certain naval vessels or small craft by the United States to Spain, and annex. Effected by exchange of notes at Madrid March 9, 1957. Entered into force March 9, 1957.

### Tunisia

Economic and technical assistance agreement. Effected by exchange of notes at Tunis March 26, 1957. Entered into force March 26, 1957.

<sup>1</sup> Not in force.

## DEPARTMENT AND FOREIGN SERVICE

### Resignations

Horace A. Hildreth as Ambassador to Pakistan, effective about May 1. (For text of Mr. Hildreth's letter to the President and the President's reply, see White House press release dated April 1.)

### Designations

Robert E. Ward, Jr., as Director, Office of Munitions Control, effective December 2, 1956.

## PUBLICATIONS

### Recent Releases

*For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.*

**The National Interest and Foreign Languages.** Pub. 6389. International Organization and Conference Series IV, UNESCO 30. 133 pp. 65¢.

A discussion outline and work paper sponsored by the U.S. National Commission for UNESCO for the purpose of discussing whether or not the national interest would be served by increased study of modern foreign languages in the United States.

**The Price of Peace.** Pub. 6415. General Foreign Policy Series 114. 9 pp. Limited distribution.

Text of the second inaugural address of President Eisenhower, January 21, 1957.

**The American Agricultural Attaché.** Pub. 6422. Department and Foreign Service Series 61. 23 pp. 15¢.

A pamphlet describing the duties and responsibilities of the American agricultural attaché.

**The Situation in the Middle East.** Pub. 6461. Near and Middle Eastern Series 23. 14 pp. Limited distribution.

A pamphlet containing the text of a radio and television address to the American people made by President Eisenhower on February 20, 1957.



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| 185  | 4/2  | Technical and economic aid to Iran.           |
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# Bulletin

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April 29, 1957

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THE DEPARTMENT OF STATE

# Bulletin

VOL. XXXVI, No. 931 • PUBLICATION 6486

April 29, 1957

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*The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.*

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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 19, 1955).

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# Proposals for Substantive Changes in Mutual Security Legislation

*Statement by Secretary Dulles*<sup>1</sup>

I am glad to respond to your committee's request that I discuss with you certain aspects of the mutual security program.

Before dealing with specific issues I should like to consider the basic purposes which, I believe, the legislation is designed to serve. These purposes provide the best guidelines for determining the form which the legislation should take.

## Supporting Considerations

### I.

The security and prosperity of the United States are bound up with the continued security and prosperity of other free nations. Trends in international political affairs, economic life, and most of all in military technology link our fate ever more closely with that of other members of the free-world community.

Our national policy must reflect this fundamental fact. Unless it does so, we shall face a peril the like of which we have never known.

The measures which we have been taking to avoid that peril are many; they are interlocking and mutually reinforcing. Perhaps because of this fact these measures have become somewhat confusing.

Congress can be expected to sustain a continuing program for creating security, strength, and opportunity abroad only if this is responsive to basic sentiments of the American people. Legislation

as vital as this is to the welfare of the American people should be in a form which will enable them to understand it and to sponsor it with conviction.

### II.

Of all the purposes served by government, the first is to provide its citizens with security. That is one aspect, a major aspect, of our international policy. We seek to create as between the free nations a common defense which will give greater security than could be obtained by any one alone.

The concept of "common defense" is not new to our people. Our Nation was founded primarily to create a common defense, and our Constitution specifies that as one of its major purposes. The same considerations which in 1787 led our *States* to accept the necessity for a common defense, today require the *nations* of the free world to seek a common defense.

International communism today controls manpower which is about five times as large as that of the United States. It has great capacity to create the most modern instruments of mass destruction. It controls territories which provide staging areas for attack far more diversified and of much greater total strategic value than do territories under the sovereignty of the United States.

Under these circumstances it would be folly not to strive for a common defense with other free nations. That folly would permit ever more manpower, ever more natural resources, and ever more strategic areas to fall under the domination of those who are bitterly hostile to us and our free institutions.

<sup>1</sup> Made before the Senate Special Committee To Study the Foreign Aid Program on Apr. 8 (press release 194).

We have many treaties and congressional resolutions which proclaim that it would be dangerous to the peace and safety of the United States if other free nations succumbed to the aggression of international communism. We have collective defense treaties with 42 other nations, and the recent Middle East resolution authorizes a further extension of the area of common defense.

Upon these political foundations, we erect military defenses. Others contribute much to those defenses. But we, too, must contribute if the totality is to be adequate. For many nations cannot support the military establishments which, in the common interest, should be on their soil.

The collective defense which the United States shares with other nations benefits them, but it equally benefits us. In this connection, I recall the testimony of the Chairman of the Joint Chiefs of Staff:

... the military aid program is part and parcel of the U.S. Defense Department program. The expenditures abroad in support of our alliances do not differ in purpose, scope, or objective from our own military expenditures.

It is the considered judgment of the President and his military advisers that the system of common defense, for which our military assistance is essential, is also the most effective way to provide for United States defense. To weaken that system by cutting our contribution to it would not involve a saving to the United States. On the contrary, it would require a far more costly defense program here at home. Even then, we would be less secure.

Our Nation accepts military burdens, not as an expression of our national aspirations but as an elemental necessity. I do not doubt that the American people will continue to support the defense aspects of mutual security because of that necessity.

### III.

Programs of military defense alone, however, cannot assure that the free world will be maintained intact. There is also a threat to future independence and freedom where moderate leaders despair of being able to lift their nation out of hopeless poverty and stagnation.

As President Eisenhower said in his second inaugural address:<sup>2</sup>

In too much of the earth there is want, discord, danger. New forces and new nations stir and strive across the

earth, with power to bring, by their fate, great good or great evil to the free world's future. From the deserts of North Africa to the islands of the South Pacific, one-third of all mankind has entered upon an historic struggle for a new freedom: freedom from grinding poverty. Across all continents nearly a billion people seek, sometimes almost in desperation, for the skills and knowledge and assistance by which they may satisfy, from their own resources, the material wants common to all mankind.

It is in our direct self-interest that these new nations should succeed in the historic struggle of which the President spoke.

Our concern also stems from the historic conception of the American people as to the role of their nation in the world. The American people believe in a moral law and that men and nations are bound by that law. As George Washington said in his Farewell Address, "religion and morality are indispensable supports" of our free government. And of moral and religious precepts, one of the most basic is the concept of the brotherhood of man. That is why our people have never even tried to make their nation into an oasis of prosperity in a world desert of human misery.

Another aspect of our faith is belief in the dignity and worth of the human individual everywhere. All men, our Declaration of Independence said, are endowed with inalienable rights to life, liberty, and the pursuit of happiness.

That is why we hate a system which treats men as mere bits of matter to be made into the grinding cogs of some superstate machine. That is why we crave liberty for all men everywhere; and we want to protect liberty where it is and to see it restored where it is lost.

Our founders did not see their experiment as a purely selfish enterprise. They had the courage to launch their principles into the world. What they did became known throughout the world as "The Great American Experiment." Abraham Lincoln said of our Declaration of Independence that it meant

... liberty not alone to the people of this country but hope to all the world for all future time. It was that which gave promise that in due time the weights would be lifted from the shoulders of all men.

Because we still retain that sense of mission we are eager that other lands and other people should know the blessings of liberty.

### IV.

We can, I think, see that what is now called the mutual security program is the expression, under

<sup>2</sup> BULLETIN of Feb. 11, 1957, p. 211.



modern conditions, of two needs: (1) our need for a common defense with other free nations willing to share with us the burdens and benefits of that relationship; and (2) the need to manifest realistically the faith with which our Nation has been imbued from its beginning, a faith which has made our Nation great in the best sense of that often-abused word.

And let me add that to suppress or to belittle the manifestation of that faith would serve us ill. No society can long survive without a faith which is dynamic and creative and which reaches out to others. If the day ever comes when our Nation is not responsive to the lifegiving qualities that are reflected in the developmental aspects of our program, then that will mark the beginning of our end.

## Applications

### I.

I turn now to the question of what substantive changes should be made in the form of the legislation to make it more responsive to the sentiments which support its dual purpose.

It seems to us that confusion has come at least in part from lumping together, as "defense support," all kinds of economic assistance given to countries whose military programs we are supporting. Such confusion can be, and should be, ended.

Our support to these countries takes three principal forms: (1) aid in terms of actual military goods, so-called "end items"; (2) support of the economies to the extent required to enable these countries to carry the economic burden of armed forces which we and they agree are necessary for the common defense; and then (3) the economic development programs, including technical assistance, which we might be engaged in irrespective of our military ties.

It is our view that the so-called defense support should hereafter comprise only the assistance required to meet so much of the economic burden of military defense as the country cannot itself afford. Appropriations for military assistance and for this redefined category of defense support would then be authorized on a continuing basis and hereafter appropriated annually to the President in appropriations for the Department of Defense.

We believe that this way of treating military as-

sistance, which also is recommended by many of the recent studies on the subject, would avoid a wide degree of misunderstanding abroad and at home by making apparent the degree in which we wish our aid to serve military defense.

### II.

I turn now to the economic development aspect of the program.

We believe that all economic development, including that which goes to countries with which we have common defense, should be considered together. We also believe that more emphasis should be placed on *long-term* development assistance.

It is true that our economic aid cannot be more than a marginal addition to any country's development efforts. This addition can, however, be significant and even determining. It can break foreign-exchange bottlenecks, and it can be a key factor in stimulating a country to a more effective development program of its own. If our development aid is to have this effect, however, we must do two things: (1) break away from the cycle of annual authorizations and appropriations; and (2) eliminate advance allocations by countries.

Economic development is a continuing process, not an annual event. Present annual appropriations have resulted in procedures which do not allow either us or the receiving countries to make the most efficient use of the resources which we are providing.

The best way to achieve this greater efficiency is, we believe, the establishment of an economic development fund to provide assistance through loans on terms more favorable than are possible through existing institutions. To be effective, such a fund would need continuing authority and a capital authorization sufficient for several years, to be renewed when needed.

Such a fund could extend aid for specific programs or projects submitted by applicant countries. Each request for a loan from the fund should meet certain criteria, including a showing (1) that financing cannot be obtained from other sources; (2) that the project is technically feasible; (3) that it gives reasonable promise of direct or indirect contribution to a nation's increased productivity.

The fund could usefully join with such institutions as the World Bank or the Export-Import Bank in financing particular projects. Its aid

might thus enable these banks to expand their operations by assisting projects which could not qualify in their entirety for loans which these institutions are authorized to make. In order not to displace other sources of credit, loans from the development fund should be repayable on a basis subordinate to the claims of the World Bank, the Export-Import Bank, and private lending agencies.

To make development aid most effective and economical, we must provide it in a businesslike way. I believe that the procedures outlined above will have that effect.

### III.

In addition to need for foreign-aid military programs and loans for economic development, there will undoubtedly be some need for foreign financial aid on a grant basis.

International communism is waging against us what is sometimes called a "cold war." It can move, without budget controls or parliamentary action, to take advantage of opportunities such as those created by its own subversive efforts, by the infirmities of free governments not yet solidly based, or by the misfortunes of nature.

It is therefore necessary that our Government also have limited discretionary funds so that we, and not international communism alone, will be able to move decisively in relation to such situations. Without that, we would be conceding to despotism an advantage which could enable it to register great gains.

Already we have a special Presidential fund provided by section 401 of the act to meet emergencies and contingencies. A fund for such purposes should be continued.

### IV.

Technical assistance is a tested and extremely effective way of enabling other countries to develop their own resources. It is our thought that technical assistance, both direct and through the United Nations technical assistance program, should be continued on much the present basis.

### V.

As to the administration of the revised program, we have in mind that military end-item aid would continue to be administered by the Department of Defense and that each of the types of economic aid that I have described would continue to be

administered by the International Cooperation Administration.

We do not believe that it would be wise to transfer the administration of defense support to the Defense Department. This would require a wasteful duplication within the Defense Department of ICA's well-established economic organization. And it would divide between two agencies the responsibility for administering economic programs which must, for the sake of efficiency and good management, be closely coordinated.

We believe that the International Cooperation Administration should be continued and that it should be continued as it now is, namely, a semi-autonomous agency.

We believe that all aspects of our mutual security program should be under the effective foreign-policy guidance of the President and the Secretary of State. This can be done by the exercise by the President of his inherent power to direct the executive branch of government. To achieve this result does not require throwing into the Department of State heavy operating responsibilities.

### VI.

I turn now to the question of the order of magnitude of our programs.

(1) Assuming that the international climate remains as at present, I would estimate that grant-aid expenditures for military purposes would need to continue for some years at a level close to the present. In some instances the size of the local forces that mutual security helps to support may, perhaps, be reduced without undue political and military risks. That would suggest declining costs for us. On the other hand, it may be necessary to reorganize and equip our allies with more modern types of weapons. This suggests increasing costs. Perhaps these two factors will roughly balance each other.

(2) On the assumption that economic development is hereafter made through loans and not through grants, this would, I surmise, require a development fund able to make loans which, not for fiscal year 1958 but over the future, might come to reach \$750 million a year. The procedures we suggest should permit substantial savings in terms of lesser administrative costs and an ability to accomplish more with less expenditure. On the other hand, the needs may become more compelling.



(3) In addition, there is the continuing limited requirement, to which I have referred, for grant aid to meet contingencies and imperative needs which cannot realistically be met by loans. Also, of course, there are the technical assistance programs now running at about \$150 million a year.

## VII.

In conclusion, I recall the report of the Foreign Relations Committee of last June in relation to the mutual security program. The committee report said:

... the next few years may be more difficult in some respects than the last few. The problems are becoming subtler and more complex. The Mutual Security Program must be adapted to meet the new circumstances.

We believe that the proposals I have outlined this morning are "adapted to meet the new circumstances." They are based upon the high-quality studies you have commissioned and those made by and for the executive branch. Many of these agree to a remarkable extent not only on the value to us of our military and economic aid to others but also on changes in the form of our mutual security program which would make it more effective in promoting our national interests.

We accept responsibility for our proposals but do not claim sole credit for them. We regard them as being derived equally from the work of the Congress and from the efforts of the executive branch. We believe that their broad outline is sound. We recognize that there are various ways by which this outline can be carried out. We invite and welcome your comments and further consultation on the best means to develop these proposals into the most effective instrument of national policy.

## World Trade Week, 1957

### A PROCLAMATION<sup>1</sup>

WHEREAS exports and imports are important to our economic strength and to the well-being of our people; and

WHEREAS international commerce in all its aspects—trade, travel and investment—is beneficial to the community of nations and conducive to the establishment of a just and lasting peace in the world; and

<sup>1</sup> No. 3177; 22 Fed. Reg. 2401.

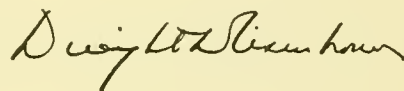
WHEREAS our national trade policy, which seeks to promote the continued growth of mutually profitable world trade, contributes both to our prosperity and to our national security:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby proclaim the week beginning May 19, 1957, as World Trade Week; and I request the appropriate officials of the Federal Government and of the several States, Territories, possessions, and municipalities of the United States to cooperate in the observance of that week.

I also urge business, labor, agricultural, educational, and civic groups, as well as the people of the United States generally, to observe World Trade Week with gatherings, discussions, exhibits, ceremonies, and other activities designed to promote a greater awareness of the importance of world trade to our domestic economy and to the strength of the free world.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the city of Washington this eighth day of April in the year of our Lord nineteen hundred [SEAL] and fifty-seven, and of the Independence of the United States of America the one hundred and eighty-first.



By the President:

JOHN FOSTER DULLES  
Secretary of State

## Anniversary of Fall of Bataan

*Following are the texts of messages exchanged on April 9 by President Eisenhower and President Carlos P. García of the Philippines.*

White House press release dated April 9

### Message From President Eisenhower

On behalf of the people of the United States, I send Bataan Day greetings to our friends in the Philippines. Bataan Day is a solemn day for both nations, for it is a time when we pause to remember the price, and consider the meaning of freedom.

To try to recapture in words the deeds of the men of Bataan is not possible. By their action they expressed the true spirit of freedom better than words could ever do. That spirit is what we commemorate today.

We also commemorate the comradeship which has bound our two nations together so strongly in the past, and which continues to be so vital in the anxious present.

The dangers which now confront us are in a sense just as real as those that were faced on Bataan fifteen years ago. So we continue to draw upon the spirit of devotion, of comradeship and of courage which is the noble legacy of Bataan.

DWIGHT D. EISENHOWER

#### **Message From the President of the Philippines**

On this April 9 we are commemorating the fifteenth anniversary of the Fall of Bataan. On behalf of the people of the Philippines I send our best wishes to you and to the people of the United States.

Bataan will always stand in our history as a symbol of a heartrending struggle by the peoples of two nations fighting side by side for the common goal of liberty, freedom, and democracy.

We are pledged that the spirit of Bataan shall not perish and that those gallant American and Filipino heroes who died for democracy shall not have died in vain.

Today our two peoples are fighting the more subtle enemy, Communism, which is trying to subvert the ideals we fought for on Bataan.

The Filipino people know well the benefits of liberty and freedom and will continue to fight with the great spirit exemplified on Bataan to preserve those ideals.

CARLOS P. GARCÍA

### **U.S. and Saudi Arabia Confirm Agreement on Cooperation**

#### **DEPARTMENT ANNOUNCEMENT**

Press release 195 dated April 8

During the recent visit of King Saud, the President reached agreement with him on the need for continued cooperation between Saudi Arabia and the United States.<sup>1</sup> Notes confirming this agreement were signed by the Deputy Under Secretary of State and the Ambassador of Saudi Arabia on April 2, 1957. Projects to be implemented under the agreement are to be worked out jointly in subsequent technical discussions in Saudi Arabia.

<sup>1</sup> For text of joint communique issued on Feb. 8 following discussions held by President Eisenhower and King Saud, see BULLETIN of Feb. 25, 1957, p. 308.

The notes also provide for a renewal of the Dhahran Airfield Agreement of June 18, 1951,<sup>2</sup> for 5 years from this date [April 2].

Under the 1951 arrangement relating to the Dhahran Airfield, the United States agreed to assist in the technical operation of the airport at Dhahran, to train certain air force personnel, and to provide a military advisory group for the army. The new agreement represents a refinement and expansion of those previous United States arrangements with Saudi Arabia. The United States will provide, during the next 5 years, the personnel, training equipment, and some of the construction required for an air-force training program, an augmented army advisory program, and a limited program for the training of naval personnel. In addition, there will be certain additional construction designed to improve civil aviation facilities at Dhahran Airfield and an improvement of the port of Dammam.

The United States has also agreed to continue to sell military equipment in accordance with the exchange of notes between the Governments of Saudi Arabia and the United States of June 18, 1951.

#### **EXCHANGE OF NOTES**

Press release 196 dated April 8

#### **Text of U.S. Note**

APRIL 2, 1957

His Excellency

Sheikh ABDULLAH AL-KHAYYAL,  
*Ambassador of Saudi Arabia.*

EXCELLENCY: I have the honor to refer to the discussions which have taken place between His Majesty King Saud and President Eisenhower and representatives of our two Governments between January 30 and February 8, 1957, concerning the relations between the two countries and their common interest in promoting and consolidating their cooperation. The Government of the United States is now pleased to confirm its understanding of the general agreement reached during these discussions.

1. The United States Government acknowledges the comments of His Majesty King Saud to President Eisenhower and recognizes that Saudi

<sup>2</sup> *Ibid.*, July 23, 1951, p. 150.



Arabia has a need to strengthen its armed forces for the purposes of the defense of the Kingdom, including the defense of the Dhahran Airfield.

2. In this connection, the United States Government will, within its constitutional processes, continue its cooperation with the Kingdom of Saudi Arabia by providing military equipment on a reimbursable basis in accordance with the exchange of notes between the two Governments of June 18, 1951, which provides that the equipment shall be used to "foster international peace and security within the framework of the Charter of the United Nations." Equipment to be provided will be in accordance with understandings reached during the foregoing mentioned discussions. The two Governments further agree that the equipment to be provided will be used by Saudi Arabia for the purpose of defending the independence and territorial integrity of Saudi Arabia and for the maintenance of internal security. It is understood that the two Governments will arrange appropriate terms of payment for such equipment.

3. The United States Government agrees to provide at no cost to the Saudi Arabian Government certain additional construction at Dhahran Airfield designed to improve civil aviation facilities. The United States Government agrees also to provide a program of training for the Saudi Arabian Air Force, to augment the present advisory training program for the Saudi Arabian Army and to train Naval personnel. Details of these services will be as agreed.

4. In the same spirit and re-asserting the close cooperation between the two countries, the United States Government is pleased to be able to continue the use of the facilities granted at the Dhahran Airfield in accordance with the Agreement of June 18, 1951 which is extended for a period of five years from the date of this exchange.

5. To facilitate and improve the implementation of the Dhahran Airfield Agreement and related agreements, the two Governments agree to hold further discussions in Saudi Arabia looking toward possible additional understandings.

6. The United States Government, in consider-

ing the economic needs of Saudi Arabia, is prepared to assist in mutually agreed projects. In this connection, the expansion of the Dammam port will receive primary consideration. It also agrees to the provision of some engineering and technical assistance, as well as lending its good offices to assist in establishing credit arrangements for economic projects. These matters will be discussed between the competent representatives of the two Governments and confirmed by subsequent understandings.

7. These foregoing measures will be undertaken in accordance with due legislative processes of both countries.

If the foregoing is acceptable to the Government of Saudi Arabia, the Government of the United States agrees that this note and Your Excellency's reply concurring in its content will constitute firm agreement between the two Governments.

Accept, Excellency, the assurances of my highest consideration.

For the Secretary of State:

ROBERT MURPHY

*Deputy Under Secretary of State*

#### **Text of Saudi Arabian Note**

WASHINGTON D. C. *Ramadan 2, 1376H.*

*Corresponding to April 2, 1957 A. D.*

The Honorable

JOHN FOSTER DULLES

*Secretary of State*

EXCELLENCY: I have the honor to inform Your Excellency that I have received your note dated today, the text of which is as follows:

[Here is repeated the text of Deputy Under Secretary Murphy's note of April 2, 1957.]

I have been authorized to inform Your Excellency that my Government accepts the contents of Your Excellency's foregoing note.

Accept, Excellency, the renewed assurances of my highest consideration.

ABDULLAH AL-KHAYYAL

*Ambassador of Saudi Arabia*

## Report to the Founder on Foreign Affairs

by *Walter S. Robertson*

*Assistant Secretary for Far Eastern Affairs*<sup>1</sup>

There was in Japan in the past a tradition honored by the heads of government which, for me, has a special appeal. The practice was for those responsible for the government of the country to repair periodically to their sacred shrines and there report on the state of affairs to the nation's illustrious dead. The custom was thought to provide continuity in the conduct of government and to keep fresh in the minds of officials a sense of what the nation stood for. The officials of our own Government might well benefit from a similar practice. Perhaps it should be a duty of our officials to visit periodically one of the great shrines of the American past—as I am doing today—to be reminded of the spirit in which the extraordinary experiment called the United States was conceived.

Were it not that I feel so deeply the force of what Thomas Jefferson stood for, were it not that I wished particularly to speak with reference to what he stood for, I should not have felt it right for me to accept the outstanding honor of an invitation to talk to you at this place and on this day. As it is, perhaps, you will consider what I shall say this morning as a report respectfully addressed to your founder as well as to you, on the situation in which, as I see it, the Nation finds itself in the world today.

I might begin with one of the lesser reasons why I feel so strongly drawn to Mr. Jefferson. He also did time in the Department of State. He served, of course, as Secretary of State under President Washington. I like to recall the words with which, among others, the President overcame Jefferson's very great reluctance to take that of-

fice: "Its duties," the President wrote, "will probably be not quite so arduous and complicated in their execution as you may have been led at the first moment to imagine." I doubt if Washington's record of never having told an untruth was ever in greater jeopardy than when he gave that reassurance. As head of the Department of State, Jefferson had, it should be noted, the support of a truly impressive staff consisting of five copying clerks, three at \$500 a year and two at \$800. Nevertheless, after 4 years of it he resigned the office. In response to the President's further appeal for him to remain, he said of his decision: "In this I am now immovable by any consideration whatever."

It is not hard to know how he felt. When he had accepted appointment as Secretary of State, in which office he was to be rewarded with calumny and misrepresentation, he had already devoted 20 years to public service. Looking back upon it at the time, he wrote: "Public employment contributes neither to advantage nor to happiness. It is but honorable exile from one's family and affairs." Having for 4 years myself been a daily witness of the burdens upon the Secretary of State, I believe I can understand something of the spiritual and physical exhaustion with which Jefferson put down those burdens.

To me, it is above all as a revolutionary that Jefferson stands out as a man of everlasting significance for his Nation and for mankind. True revolutionaries are not common. Few men have the hardihood of soul to be one. Those whom we tend to think of as revolutionaries—doctrinaire fanatics of stormy character whose bigotry reveals their essential inhumanity—are not revolutionaries in the true sense at all, but quite the contrary. I like to compare with those types the picture of

<sup>1</sup> Address made at the University of Virginia, Charlottesville, Va., on Founder's Day, Apr. 13 (press release 209 dated Apr. 12).



Jefferson at Philadelphia on July 4th, 1776. While the Congress furiously debated his immortal handiwork, the Declaration of Independence—one of the most portentous events in the history of human liberty—Jefferson was engaged in taking periodic readings on a thermometer he had purchased the day before for £3.15. A biographer notes that he coolly recorded: “July 4th, 6:00 AM, 68°; 9:00 AM, 72¼°; 1:00 PM, 76°; 9:00 PM, 73½°.” In this picture, we see the Jefferson who, without raising his voice, was to work a quiet revolution in Virginia, eliminating the special privileges of a towering and entrenched aristocracy—the Jefferson who, in 1800, was to destroy the Federalists with their Alien and Sedition Acts and their violent antipathy to democracy, while residing quietly at Monticello. We also see the Jefferson who, in his restless and ever-youthful passion for learning, for the truth, did not consider an interest in the workings of a thermometer unworthy to be indulged at a turning point in human history. It is instructive to try to imagine a Hitler or a Stalin similarly engaged while their prospects of power and a place in history were at stake.

The history of mankind is the history of freedom, Benedetto Croce declared. The issue—the perennial, fundamental issue in human affairs—was well understood by Jefferson. “Mankind by their constitution,” he wrote, “are naturally divided into two parties, one, those who fear and distrust the people and wish to draw all powers from them into the hands of the higher classes. And two, those who identify themselves with the people, have confidence in them, cherish and consider them as the most honest and safe although not the most wise depository of public interests.”

There was never any question as to which side Jefferson was on. “Sometimes it is said that man can not be trusted with the government of himself,” he declared in his first inaugural address and asked: “Can he, then, be trusted with the government of others? Or have we found angels in the forms of kings to govern him?” Many fine and striking sentiments have been uttered by orators on democracy and the rights of the people. In what Jefferson wrote and in his own life is revealed a depth of awareness that gives the words and example that have come down to us from him a force that is very nearly unique. I give you as a witness of the honesty and understanding on which his political philosophy rested a simple observa-

tion he introduced casually in a letter—but an observation that we might well pray could sink deep into the hearts of men everywhere: “I have been [unable] to conceive how any rational being could propose happiness to himself from the exercise of power over others.”

### **Jefferson, Enemy of the “System”**

Jefferson was the enemy of what we might call the “System.” There is one in every society and in every age: a conspiracy to corner power, to deprive the generality of men of their birthright, to withhold information and deny currency to any but the official version of the truth. To be against such a system is the hallmark of the true revolutionary. To seek to replace someone else’s system with a system of one’s own is a commonplace, and most of those who claim the title of revolutionary have only this object in mind. To seek the end of all special systems and of all restrictions upon the freedom of men to speak their minds and decide their fate for themselves is much rarer than it might seem. This was, however, Jefferson’s honest aim. He flayed the conspiracy of monarchy that then seemed to threaten the future of mankind much as totalitarianism does today. He flayed the conspiracy of special interests—“stock-jobbers,” he called them—who regarded the anti-democratic oligarchy of contemporary Britain as a model system of government. He opposed the conspiracy against the exercise of freedom represented by tradition, by the tyranny of the past, deriding the doctrine that maintained that “preceding generations held the earth more freely than we do; had a right to impose laws on us, unalterable by ourselves and that we, in like manner, can make laws and impose burdens on future generations which they will have no right to alter; in fine, that the earth belongs to the dead and not to the living.” He was not afraid, either, to take on what he saw as the conspiracy of the clergy when they attacked his candidacy with such viciousness in the campaign of 1800. Today we may thank the clergy for having done so, for the clash gave us one of the most memorable declarations in the history of freedom, the one enshrined on Jefferson’s monument in Washington: “I have sworn upon the altar of God eternal hostility against every form of tyranny over the mind of man.”

Jefferson well knew the significance for the

world of the American revolution against the system that then prevailed over the rest of mankind. "We are not," he said, "acting for ourselves alone but for the whole human race. The event of our experiment is to see whether man can be trusted with self-government. The eyes of suffering humanity are fixed on us with anxiety as their only hope. . . ."

I trust it is not vainglorious to suggest that the eyes of humanity have been fixed upon us ever since, always with hope, sometimes—let us admit—in disappointment, depending as we are faithful or not to our early example. They are fixed upon us today. The issues that preoccupied the minds of Jefferson and his contemporaries were never more vibrantly alive than they are today. The paradox of our strife-torn age is that, while the cause of freedom has made unexampled strides around the world and is the currency of men's hopes everywhere, it has never stood in greater peril. Ours has been an age of revolution and counterrevolution. We might recall that Jefferson, familiar enough with the phenomenon of counterrevolution, was also familiar with the term. "A perfect counter-revolutioner" is what he called Hamilton when the latter put on mourning upon the death of King Louis XVI. But counterrevolution today, uniting the absolutism of the darkest past with the techniques and weapons of the most advanced science, has assumed protean forms that Jefferson never dreamed of.

But perhaps I am overstating the case in suggesting that he never dreamed of them. Napoleon Bonaparte, the totalitarian of that time, was only too well known to Jefferson, and what he wrote about Bonaparte might well serve as an accurate indictment, particular by particular, of the totalitarians of our own time. "He wanted totally the sense of right and wrong," said Jefferson. "If he could consider the millions of human lives which he had destroyed or caused to be destroyed, the desolations of countries by plunderings, burnings, and famine, the destitutions of lawful rulers of the world without the consent of their constituents . . . , the cutting up of established societies of men and jumbling them discordantly together again at his caprice, the demolition of the fairest hopes of mankind for the recovery of their rights and amelioration of their conditions, and all the numberless train of his other enormities; the man,

I say, who could consider all these as no crime, must have been a moral monster, against whom every hand should have been lifted to slay him."

### **The Conflict With Totalitarianism**

For 15 years and more, now, our country with its allies has been combating by every practical means the aggressive purposes of successive totalitarianisms—first the totalitarianisms of fascism and nazism, and now the crusading, fanatical, worldwide totalitarianism of international communism. To this end we have fought all around the globe and American dead lie today in countries most of our countrymen scarcely had heard of 30 years ago. Over a much greater area still, the products of American industry and agriculture have been poured out to strengthen other peoples against the ambitions of foreign absolutisms. For absolutism has threatened them and, in its most virulent form, continues to threaten them today with every kind of weapon, from conventional military forces to cancerous agencies that work from within, exploiting a weakness of tissue to proliferate and infect the entire body of the nation.

Our success in combating totalitarianism has been mixed.

Since, reluctantly, we accepted the responsibility of a leading world power at the start of World War II, aggressive totalitarianism has been thwarted in its aims on a worldwide front. In 1942 Hitler can have had little doubt that Europe was his and that with it the world balance of power must move inevitably in his favor; the Japanese imperialists can have had little doubt that East Asia and the Western Pacific were theirs. In 1946 the Soviet Union can have had little doubt that the Communist parties would arise triumphant in a wrecked, despairing, and disillusioned Europe and that the revolts then breving against European rule would turn inevitably, in accordance with doctrine, to the Soviet advantage. All these expectations were disappointed. The period through which we have been passing has been made memorable also by the granting of independence by the colonial powers to a dozen or more countries comprising over half a billion souls. This has been an historically unparalleled development.

On the other hand, we must record that an equally impressive roster of states, long proud of their independence, have been enslaved by the



forces of international communism. If it is possible to travel from Morocco and Tunisia across the Arab East through Pakistan and India to the new nations of Southeast Asia and find scarcely a country in which the principle of self-rule for which we fought in 1776 has not made signal or sweeping strides, it is also true that there is nowhere between Eastern Germany and central Korea an acre of land where the principles of our revolution—of revolution itself—have not been ruthlessly suppressed.

The end of the contest between freedom and absolutism is, moreover, by no means in sight. While stretching indefinitely ahead of us in time, it seems also to have no limits in extent. The free peoples are challenged in every field. The contest is not one of military power alone. It is a contest of economic strength. It is a contest of technological ability and of education. It is a contest to determine which way of life, all in all, is better equipped for survival, which will seem to offer the greater promise to the vast masses of mankind who are only now emerging from the passivity of a tribal or tradition-bound past to the dazzling and bewildering promise of the 20th century.

### **Misunderstandings About U.S. Policy**

It should be clear to us that in the conflict with totalitarianism we are not trying to force our kind of government on any other peoples. Indeed, it is precisely the principle that no nation should try to force its kind of government on another that we are striving to establish, and any inhibition we ask others to accept we are prepared to accept ourselves. Our goal is a world in which no state will be able to impose its will or its ideology on any other.

Another thing we are not seeking is any special advantage for ourselves or our friends. We aspire to no colonies or territorial expansion. "If there be one principle more deeply rooted than any other in the mind of every American," Jefferson declared, "it is that we should have nothing to do with conquest." Despite our having had such opportunities for aggrandizement as can seldom have confronted a nation, we have been faithful to Jefferson's precept. Despite the unconditional victories we have won with our allies in two world wars, the territory under our flag today is substantially smaller than it was in

1914—and, surely, we would have it no other way.

The spectacle of a great power which has sacrificed hundreds of thousands of its young men and has drawn unsparingly upon its resources for the relief of other people's needs, while seeking no selfish advantage, has been regarded with scepticism. And why not? To untold millions of men any government at all—their own and certainly any foreign government—has always been an instrument of exaction and oppression. The idea that a mighty world power could genuinely consider that its interests were parallel with those of an undernourished, ill-clothed village in Asia or Africa has proved entirely too novel to some of those who have suffered under alien rule. Many of our actions have been misconstrued as evidence of ulterior motives. It is not easy to give up a habit of mind, even if it stands in the way of hope.

The Communists are quick to exploit this suspicion of our motives. Their propaganda ceaselessly portrays the entire fabric of our conduct as one vast, diabolically conceived stratagem of imperialism. They represent our aid programs as being aimed at the subversion of others. They represent that the bases we maintain abroad, at quite an appalling cost to the American taxpayer, are for the purposes of aggressive war.

We have to expect misunderstanding from others, and it should not too greatly disturb us. What *should* disturb us, however, are any signs that some among us ourselves may misunderstand what we are about. One encounters sometimes the point of view that any device that would give us an advantage over the Communists is quite proper for us to employ, however morally outraged we might be if it were employed against us. When I encounter such individuals, I cannot help wondering if they picture the Almighty as one who is concerned not that right and truth and decency shall prevail but that the state of which they happen to be a citizen shall triumph over others.

The danger in any protracted contest is that we are apt to lose sight of what the contest is about. We are apt to forget the issue that gave rise to it—in this case the defense of freedom against oppression, of decency against immorality—and come to see it as a battle of the we's against the they's in which the only important consideration is that the we's win.

A few months ago on a crucial issue in the United Nations we found ourselves on the opposite side from two of our oldest allies. There was considerable outcry in a number of organs of public opinion in the United States which held that we were wrong in the decision we had made. That the situation was tragic I would be the last to deny, but to say that what we did was wrong is to misconstrue entirely the nature of the conflict that has so largely preoccupied us during the past decade. We have not fought and toiled to establish the rule of any particular set of nations in the world; we have done so to establish the rule of certain principles embodied in the charter of the United Nations which we believe are entitled to universal respect. Any state that honors and defends these principles—the chief of which is that no nation should attack another—is our ally. Any state violating them, even under painful provocation, will find us in opposition concerning these issues regardless of how long and how close our association has been.

If we uphold those principles that commend themselves to men of good will, we shall never lack for allies. We shall have a banner to which the overwhelming majority of the human race is desperately eager to repair. If, on the contrary, we make expediency the criterion of our policy and demand that others accept our primacy, we shall have taken a long step toward fulfilling the role in which Communist propagandists ever seek to portray us.

The problems we face, the tasks we must perform, are complicated and formidable, and it will be the next generation rather than this one, I suspect, that will see the end of them—if the world does not blow up in our faces in the meantime. We shall have to deal with a Communist bloc that will have both the psychological and the physical capability of launching, without warning, an attack of tremendous force upon any part of the free world. At the same time, we shall be having to deal with a Communist bloc quite capable of acting indefinitely as a paragon of peaceful intent, challenging us to throw down our arms and lulling into a false sense of security the peoples who will have to endure painful sacrifices if military establishments are to be maintained. In refusing to leave ourselves militarily defenseless against Communist attack we shall have to reconcile ourselves to being branded by the credulous and the

short of memory as warmongers abroad and as spendthrifts at home.

That will not be the end of our dilemma. As Americans we shall find that it will depend upon us, more than upon anyone else, to keep alive in the world the spirit of revolution—the spirit that will never make peace with authority or with any form of tyranny over men's minds. At the same time, it will depend upon us more than upon anyone else to stem the forces of disorder and potential chaos in the free world that the Communists are in a position recklessly to abet. We shall not be able to look on with indifference while the institutions that hold societies together go down before rising seas of discontent.

There will be no prospect of human betterment or the enhancement of freedom in a world given over to turmoil. It is not the revolutionary spirit or democracy that is the heir of chaos; it is totalitarianism. We shall find ourselves inevitably linked with regimes with political standards different from our own. We are so linked today. Let me point out, however, that these regimes are apt to be what they are because they have had scant chance to be otherwise; they have come into being under the threat of extinction. They are, however, no threat to the independence of their neighbors. That, I would beg you to bear in mind, is an important distinction. In this connection, we might take heed of something Jefferson said: "There is a snail-paced gait for the advance of new ideas upon the general mind under which we must acquiesce. . . . you must give [the people] time for every step you take."

#### **Freedom vs. Communism**

If—and again I make this exception—the world can avoid nuclear war, which we believe the international Communists are now scarcely more likely to welcome than we are, then it should be possible to distinguish in some degree the kind of world in which the example of freedom and the precepts of communism will contend in the future. The arena is likely to be primarily in these underdeveloped countries I touched on earlier in my remarks, whose inhabitants, numbering in the hundreds of millions, are only now being aroused out of narrow traditional patterns of existence by the explosive impact of modern ideas. Jefferson foresaw the changes that were bound to come with the spread of the light of knowledge—or, as he identified it,



of the art of printing. "As yet," he wrote, "that light has dawned on the middling classes only of the men in Europe. The kings and the rabble, of equal ignorance, have not yet received its rays; but it continues to spread, and while printing is preserved it can no more recede than the sun return on his course."

Throughout the underdeveloped world—and this includes by far the largest part of it—the "middling classes," as Jefferson called them, are growing in numbers and importance as a result of the increasing commerce in goods and ideas with the more advanced countries of Europe and America. Composed of those who are neither conspicuously possessed of property nor conspicuously dispossessed of it—professional men, technologists, government officials, factory managers, labor leaders, writers and publicists, and military officers—these classes are gradually displacing from the center of the stage "the kings and the rabble" of which Jefferson spoke. This is a process that has been taking place in our own country, where it is already far advanced. The extremes of society that Jefferson mistrusted—the specially privileged and the totally disinherited—have all but disappeared among us, absorbed into the growing "middling classes." In the lands which heretofore have lain outside the scope of 20th-century civilization, these "middling classes" will be the arbiters of the future. And they will be casting about for an answer to their problems—casting about fairly desperately probably, in view of the condition in which most of them will find their countries. I have little doubt that what we shall have to say to them will be far more meaningful and far more promising than anything emanating from Moscow or Peiping, provided we remember what it is that America is all about. It is because of that belief that I have devoted so much of my talk to your founder. It is in the direction of his ideas, I am convinced, that the most powerful current of mankind's aspirations lie.

If we are steeped in those ideas, we shall not

mistake ourselves. We shall not appear before the world in the guise of any system or any authority. Sometimes it seems that bewildered mankind seeks to submit itself to an authority, to have a dogma handed down to it, but in the end men turn against those who make slaves or children of them and fight for the opportunity to be themselves, to find their own solutions. It should be our purpose to help bring about the kind of world in which that opportunity will be theirs.

Events in East Germany, in Poland, in Hungary have shown that the most rigorous oppression, the most preclusive totalitarian indoctrination cannot still the hunger for freedom. Indeed, it is the youth of those countries, who have known nothing but Communist rule, who are in the vanguard of rebellion. Despite savage suppression the latent forces for change throughout the Communist world will continue to grow. In the U.S.S.R. itself slowly but surely the role of the "middling classes" will be steadily enlarged. The tone of society in countries now enslaved by the international Communists will be set less and less, I think, by all-powerful oligarchs and a dehumanized peasantry and proletariat and increasingly by the professional men, the engineers, the middle-ranking government workers, artists and writers, and a better-educated populace who will more and more demand a portion of the things that make life worth living.

The change has already begun, and we are beginning to see the effects of it. The Hungarian youth brutally slaughtered by Soviet tanks in the streets of Budapest have not died in vain. "The light that has been shed on mankind . . . continues to spread." Perhaps only one thing could be expected to set it back. "We exist," said Jefferson, "and are quoted, as standing proofs that a government, so modeled as to rest continually on the will of the whole society, is a practicable government. Were we to break to pieces, it would damp the hopes and the efforts of the good, and give triumph to those of the bad through the whole enslaved world."

## The United Nations and Responsibilities for the Future

*by Francis O. Wilcox*

*Assistant Secretary for International Organization Affairs*<sup>1</sup>

I should like to direct attention to the changing composition and role of the General Assembly of the United Nations. It is not surprising that our main focus should be on the General Assembly. A quick look at the events of the past decade leaves us with the impression that the United Nations today is a somewhat different organization from that conceived at San Francisco.

In 1945 the Security Council was hopefully expected to maintain and restore peace. In this Council power and responsibility were neatly combined. However, the 10 years of cold war, of sharp differences between the Soviet orbit and the free world, and, in particular, of repeated abuses of the veto by the U.S.S.R. have pushed the Council into a secondary role. The Council today, while still available, tends to be most useful primarily in situations where there is a possibility of East and West finding a common ground. In other situations it has been faced with increasing disuse.

In contrast, the role of the General Assembly has outstripped the expectations of the framers of the charter. The General Assembly was designed to be the less powerful organ. It was scheduled to meet in regular annual sessions. It could not make decisions as could the Security Council—only recommendations. Its main weapon was discussion and debate. Power and responsibility were not realistically reflected in it—the vote of a small state equaled that of a large power. If increasing disuse has characterized the Security

Council, quite the opposite is true of the Assembly.

### **The Role of the General Assembly**

If “past is prologue,” then it would seem helpful to consider the implications for the future of the enlarged General Assembly and the greater responsibilities that have been assumed in the past few years by this body. These are changes which give new dimensions to the United Nations and which therefore pose for its members new problems and, I think, new opportunities.

In the last year and a half the United Nations has grown from 60 to 81 members. A preponderance of the increase, it is interesting to note, represents newly sovereign states in Africa, the Near East, and the Far East—commonly referred to as Afro-Asia.

In the last 6 months the General Assembly has assumed and discharged unprecedented responsibilities under the Uniting-for-Peace resolution which was adopted in 1950 following the Communist aggression in Korea.<sup>2</sup> The machinery provided by this resolution was used for the first time when the Security Council was prevented by negative votes of some of its permanent members from dealing with the crisis in the Middle East and Hungary.

The increasingly important role played by the General Assembly and its greatly enlarged membership, taken together, are causing concern to some members of the United Nations and to some able students and critics of world affairs. Some

<sup>1</sup> Address made before the Seventh Annual Public Forum on World Affairs of the Pittsburgh Foreign Policy Association at Pittsburgh, Pa., on Apr. 12 (press release 203 dated Apr. 11).

<sup>2</sup> For text, see BULLETIN of Nov. 20, 1950, p. 823.



of our staunch allies are wondering whether the Assembly can effectively face up to critical issues which threaten or break the peace.

I think it would be useful to review briefly some of these fears and warnings. Perhaps in the process we can form a judgment as to whether the Assembly is in fact in danger of becoming a Frankenstein monster about ready to destroy itself as some would have us believe.

First, the General Assembly, it is contended, is becoming more and more addicted to bloc voting, with loyalty to bloc taking precedence over any real attempt to meet issues objectively and on their merits. This is regarded as an irresponsible, even dangerous, development when a coalition vote of over one-third can be mustered by the Afro-Asian bloc alone.

Second, it is charged that there is an increasing tendency to water down resolutions in order to get a two-thirds supporting vote where important issues are under consideration. This tendency, it is contended, is producing diluted resolutions of little force or effect.

Third, the principle of sovereign equality, under which each state has one vote, has come in for renewed criticism as giving an unreal and distorted reflection of the relative power and influence of the several states in international affairs. Is it right, it is asked, for a small, economically and politically weak state to weigh equally in the balance with a large and strong state when the votes are counted? Does not this encourage a tendency to "gang up" on the larger state?

Fourth, it is argued that the General Assembly has a double standard of justice and morality—one for states which abide by its recommendations, another for states that defy them. This also raises the question as to whether we are at fault in resorting to the United Nations on issues which it is powerless to resolve and which, therefore, may result in a sense of frustration or loss of faith in the organization itself.

#### **A Look at the Record**

These charges are serious ones and deserve our careful consideration. I believe a look at the record of the 11th General Assembly will help us determine their validity. With regard to all of them I would like to make the general observation that they imply a greater authority and power

than the General Assembly actually has. The composition and role of the General Assembly may be changing, but its duties as set forth in the charter remain unchanged. It is a recommendatory body, whose influence depends on the voluntary cooperation of its members.

#### **Bloc Voting**

Let us take the matter of bloc voting. The only really consistent bloc voting in the General Assembly—and it is carried on with monotonous regularity—is done by the U.S.S.R. and its satellite states. This is a pattern long established; it is not a new phenomenon. The fears currently expressed are that the Afro-Asian group of nations may, as a matter of agreed policy, vote together and control Assembly action on important matters in a manner contrary to our interests. This, in my opinion, is more a mathematical possibility than a logical expectation or certainty. The mathematical facts are as follows.

As presently constituted, when all 81 members are voting, 54 votes are needed for the Assembly to act on matters requiring a two-thirds majority. If all the Afro-Asian states were to combine, they would have a blocking minority of 28 votes, sufficient to block action on matters requiring a two-thirds vote and enough to give them a major voice in deciding all important issues. By contrast, in the "new" Assembly, the Latin American States now have but 24 percent of the vote, non-Communist Europe 19 percent, the Soviet bloc 11 percent, and the old British Commonwealth countries 5 percent.

In practice, however, the Afro-Asian group does not regularly vote as a bloc, and, when it does, it is apt to be on issues for which there is overwhelming support from states outside the Afro-Asian area. Again, I think we should look at the record of the last General Assembly.

Take first the vote on the principal resolutions relating to the Middle East crisis. Here, certainly, one might expect to see Afro-Asian solidarity. Yet out of 11 important resolutions approved between November 1, 1956, and February 2, 1957, this bloc voted as an entity on only 2, and in both these cases the resolutions received total votes of 74 in favor, 2 against, and 2 abstentions. Indeed, the general observation may be made that the Afro-Asian group displayed considerable

unanimity in casting affirmative votes on the resolutions which were adopted by impressive or overwhelming majorities. In other words, they did not act as an irresponsible splinter group in opposition to the will of the majority.

The voting record on the Hungarian situation demonstrated less unanimity, although there was an increasing tendency for all United Nations members, including those from Africa and Asia, to be more sharply critical of brutal Soviet actions as they became revealed. On this issue, it might be observed, we would have welcomed a solid Afro-Asian bloc vote. But on only 3 out of 10 resolutions were more than 20 Afro-Asian votes cast affirmatively, and these dealt with the less contentious issues of relief for the Hungarian refugees. The vote on the remaining 7 resolutions reflected wide splits within the bloc. The point I want to emphasize is this: the Afro-Asian group does not constitute a monolithic bloc.

Of course, there is a tendency for states with common interests and problems to vote together when they think this will serve those interests. These tendencies, wherever they exist, present problems to all who wish to see international issues dealt with on their merits. At the same time, we should not exaggerate the extent to which such bloc voting prevails nor should we exaggerate the practical consequences.

#### **"Watered Down" Resolutions**

Let us consider the record on the "watering down" of resolutions. Now it is true that a resolution is seldom approved in committee in the form in which it was first submitted. This would be a remarkable thing not only for the General Assembly but for any political deliberative body. We have only to consider, for example, the tortuous course of a piece of legislation, or a simple resolution, in our own Congress.

This process of compromise is certainly a democratic process. It is an attempt to find common ground and secure the widest possible area of support. It is an essential step if the General Assembly is to comply with the charter injunction to harmonize the action of nations. It exercises a moderating influence on the action of states and places a premium on reasonable policies reflecting broad rather than narrow interests.

A good example of the wisdom and effectiveness of this process is the General Assembly's handling

of the Algerian problem. You will recall that France a year ago withdrew her delegation when Algeria was inscribed on the agenda. This year, in the 11th General Assembly, France, while denying the Assembly's competence, did not oppose inscription. When the matter came up before the Political Committee in February 1957, a strong resolution drafted by 18 Afro-Asian states was introduced. While this resolution no doubt expressed the convictions of the drafters, it was obvious from the beginning that it could never receive the two-thirds vote necessary for adoption. Actually no vote was ever taken on this resolution as a whole.

On February 11, in an effort to reach a measure of agreement, a milder resolution was introduced by Japan, the Philippines, and Thailand. The following day a number of other powers tried their hand at drafting an acceptable resolution. Both these resolutions came to a vote in committee and were adopted. Neither, however, received a two-thirds majority.

On February 15 the General Assembly in plenary session heard the Political Committee report failure to secure two-thirds support for any resolution on Algeria. At this juncture the powers which had fathered the two resolutions that received a simple majority in committee introduced in plenary a moderate compromise resolution. This resolution, expressing the hope that a peaceful, democratic, and just solution to the Algerian problem would be found in conformity with the principles of the charter, was adopted by a unanimous vote.<sup>3</sup> France refrained from voting, in keeping with its position that the General Assembly is not competent to deal with the Algerian situation.

This result could be called, I suppose, an example of a "watered down" resolution. I believe it more accurate to describe it as a practical compromise arrived at after exhaustive debate in which all sides had an opportunity to express their views. The debate cleared the air, and substantive action by the Assembly which would have hampered rather than promoted a solution was avoided. It is clear from the unanimous vote that during this debate the states principally concerned had achieved understanding, if not approval, of each other's attitudes and interests. All

<sup>3</sup> *Ibid.*, Mar. 11, 1957, p. 421.



members faced the fact squarely that the General Assembly on its own could not provide a solution to the Algerian problem. Progress, however, was possible, and progress was made because the Assembly acted responsibly in maintaining an atmosphere conducive to a practicable solution in the future by the parties directly concerned.

General Assembly consideration of the question of Cyprus followed very much the same pattern.

I believe that the Assembly's record on the disarmament question was also an example of responsible action. Assembly members recognized fully that before disarmament can be achieved the principal powers must reach agreement through quiet negotiations. The Assembly was aware that the 81-nation forum is not the right place to try to reach agreement on highly technical details involving the security of many peoples and many countries. For these reasons it voted unanimously to refer all the disarmament proposals before it to the Disarmament Commission and its Subcommittee for prompt, quiet, and detailed consideration.<sup>4</sup> This is an excellent example of the Assembly's realizing what it should or should not do in a given situation.

Of course, not all compromise resolutions passed by the Assembly are generally regarded as the best result that might have been achieved. For example, a good many delegations considered the Assembly's last resolution on the deployment of the United Nations Emergency Force in Egypt<sup>5</sup> as something less than satisfactory. It would obviously have been preferable if the Assembly had been more precise in defining UNEF's role in the Gaza Strip or at the entrance to the Gulf of Aqaba. But here, as in other cases, the outcome was determined by the prevailing balance of interests in the Assembly, in this case by those who favored less precision. Nevertheless, the result, while not ideal, did make possible the effective interposition of the UNEF between Israeli and Egyptian forces.

Now I realize that such halfway measures will never satisfy those who expect the United Nations to make quick, clear-cut, and enforceable decisions based on agreed concepts of right and wrong in a given issue. Nevertheless, such precise and complete solutions to problems are not always possible. International issues today often are susceptible of only modest solutions. The Assembly's willing-

ness to face up to its limitations as well as its capacities in concrete instances represents a forward step toward even greater responsible action in the Assembly.

### The Voting Formula

One of the very first actions that a newly sovereign state takes in the international field is to apply for admission to the United Nations. Membership in this body is looked upon as the final stamp of approval by the international community. Once admitted, the new state is anxious to demonstrate its ability to contribute to the objectives of the charter and equally desirous, I think, to assert and maintain its new-found independence and sovereignty. The new state tends to avoid actions which would make it appear that its vote is "in someone else's pocket."

I believe that, by and large, these new states, and the so-called small or weak states, have acted responsibly and in the common interest. There are occasions, of course, when a state or group of states advances proposals which are impossible or extremely difficult for the United Nations to carry out and which place the major powers in a difficult predicament. On such occasions, in particular, we may feel that the one-state, one-vote formula is, in fact, an inequity and perhaps some consideration should be given to weighted voting devices.

But it is hard to blame these states for using the General Assembly, on occasion, as an opportunity to make the major powers sit up and take notice. Sometimes, when the latter are at loggerheads, such action may serve a decisively constructive purpose.

The General Assembly is as near as the world has come toward the creation of a parliament of nations. As an international institution it tends to reflect accurately the underlying political, economic, and social conditions in the world. It should draw upon, as does a democracy, the energy and intellectual resources of all its members. The atmosphere of equality which prevails encourages it to do this. We should also recall that the Assembly, as a recommendatory body, has built-in safeguards against the imposition of the will of the majority on an opposing minority, even if this is a minority of one. Its recommendations may be disregarded.

However, where the majority is overwhelming and the justice or good sense of a proposal is

<sup>4</sup> *Ibid.*, Feb. 11, 1957, p. 225, and Mar. 11, 1957, p. 423.

<sup>5</sup> *Ibid.*, Nov. 19, 1956, p. 793.

abundantly evident, opposition or noncompliance by one or more of the great nations will be at the peril of turning world public opinion against them. As the General Assembly has grown, this has been revealed as one of its great unwritten powers. No nation can lightly accept a position of defiance to its limited authority.

### **The Double Standard**

I would like to say a word now about the so-called "double standard." The failure of the General Assembly to bring about the withdrawal of Soviet forces from Hungary, as contrasted with its success in the Middle East crisis, has become a cause of concern.

The record of Assembly action on these two issues does not support the charges made against it. The resolutions invoked against the Soviet Union and the Hungarian Communist regime were more strongly worded than in the case of the action in the Middle East. The Assembly climaxed its action with outright condemnation of the U.S.S.R.—a step which has blasted the underpinnings from the Soviet propaganda campaigns of the past years.<sup>6</sup> Frustrating United Nations action has cost the Soviet Union dearly.

We must face the fact that the possibility for such frustration of United Nations action was written into the charter when great-power unanimity was required for Security Council decisions. It was hoped, of course, that unanimity on questions of aggression or threats of aggression would prevail, but we were as insistent as any other power in including this provision. It is true that the Uniting-for-Peace resolution empowers the General Assembly to act in cases where the Security Council fails to act. But this was a resolution, not an amendment to the charter. The fundamental responsibilities and authority of the Security Council and the General Assembly remain unchanged.

There are and there will remain those within the community, the state, and world who attempt to defy the law. In the absence of enforcement power or a "decent respect to the opinions of mankind," they may—at least in the short run—get away with it. It is true that this is a threat to the rule of law, but it is not its abrogation.

The Soviet Union remains charged by mankind

with a brutal and flagrant violation of the charter in the case of Hungary. With regard to General Assembly action, I believe the cause of freedom was served within the capacity of that body to do so in the circumstances and that the cause of Soviet communism was dealt a serious and irreparable blow.

I think we underestimate the telling and lasting effect on governments and people throughout the world of the long days and nights of incisive debate and investigation of the Hungarian issue by the General Assembly. As the details of Communist ruthlessness, cynicism, and falsehood were revealed, the eyes of many were opened for the first time to the true meaning of Soviet imperialism. This was particularly true among the representatives of states who, for a variety of reasons, have tended to take a noncommittal or detached stand, particularly on issues with cold-war overtones.

By way of illustration, I would like to refer to an episode in the 11th General Assembly when the Hungarian matter had been under debate for nearly a month. A resolution of condemnation of the Soviet Union was before the Assembly. The delegate from Burma asked for the platform and spoke as follows:

"We have hoped," he said, "that the truly modest steps proposed by this General Assembly . . . would have been unanimously adopted. We abstained and waited during the week of 2 December, under the expectation that surely the Secretary-General of the United Nations would be agreeably received in any member country at any time. We abstained and waited, while the Secretary-General told us that there was a chance that he would be received in Hungary at a stipulated date within the next few days." Then, in telling the Assembly that he was now prepared to vote condemnation of the U.S.S.R., the Burmese delegate said, "We do this to keep our self-respect. After all responsible waiting for action has passed, we can do no less. There," he said, "speaking of Hungary, but for the Grace of God go we."<sup>7</sup>

At the conclusion of this debate, Burma joined 14 other Afro-Asian nations in condemning Soviet violation of the charter. In my opinion, this exposure and condemnation of Communist imperialism has served to strengthen the bonds of

<sup>6</sup> For text of the General Assembly's resolution, see *ibid.*, Dec. 24 and 31, 1956, p. 979.

<sup>7</sup> U.N. doc. A/PV. 617 dated Dec. 12.



the free world. It may well turn out to be one of the greatest blows suffered by the Soviet Union and the satellite system in the past decade. In any consideration of a "double standard" it must be weighed on the positive side of General Assembly accomplishment. For any measure that reveals the methods of despotism and suppression of freedom serves the cause both of the oppressed and of the free who wish to remain free.

### Problems for the Future

In discussing the changing composition and role of the General Assembly I have attempted to place the problems encountered in the light of our experience to date. We will continue to have these problems, and new ones will evolve as the resources within the General Assembly are developed.

In summation, I would like to suggest some guidelines for the future.

We should not assume that there will be solid bloc voting or mechanical majorities in the General Assembly except for the Soviet Union and its satellites.

We must remember that states generally act in what they conceive to be their own best interests. There are varying gradations of interests on various problems. There is much in international intercourse that tends to unify—and as much which causes disunity.

We should keep in mind that, when a two-thirds vote is required, it is often necessary to negotiate among the regional groups or blocs making up the Assembly. If, however, we continue to demonstrate constructive leadership and do our utmost to identify our interests with the interests of world peace and of progress, then I believe the General Assembly is not a body to be feared, now or in the future.

In discussing earlier the question of weighted voting, I did not mean to close or dispose of the issue. For it may well be true that the General Assembly does have a voting system which tends to give a distorted reflection of the power and influence in the world of the various members. However, as I indicated earlier, there is evidence of a responsible restraint exercised by members of the Assembly. This is due, in large part, to an awareness that a General Assembly resolution, when passed, is still only a recommendation and that its effectiveness depends upon the degree to

which it is followed—particularly by the stronger and more influential powers.

The mere fact that a bloc of powers can muster a two-thirds vote on an important issue does not necessarily mean that they will do so. I cite as a case in point the reaction at the General Assembly to the question of the invoking of sanctions against Israel for failure to withdraw her forces. One of the Middle Eastern states had actually introduced such a sanctions resolution. It was very possible at the time that such a resolution could have passed by a two-thirds majority. But this potential majority exercised a commendable restraint and caution; they waited to learn, in particular, what the position of certain powers would be whose support might be decisive. As it turned out, the resolution was never brought to a vote and Israeli forces were eventually withdrawn.

Such responsible action is an example of the General Assembly's being used as an instrument through which our interdependent world realizes and accepts its interdependence.

The more influential states must recognize that power and responsibility go hand in hand and that their positions of leadership cannot be taken for granted. The less influential states should take care not to impair or destroy by their actions the usefulness of the organization that protects them and gives them an equal voice in the councils of nations.

The United Nations should be recognized for what it is, an aid to progress toward a more peaceful world. It is complementary to traditional diplomacy, not a substitute for it or for responsible international conduct. It is not a political Univac, where you feed the problems in one side and take the answers out the other.

In this connection we have often recognized that there are certain international problems that can be more effectively handled outside the context of the United Nations. We have also recognized that we can never use the United Nations as a substitute for bold, imaginative, and realistic foreign policies and programs of our own—that we must continue to pursue many of our national interests and objectives through various regional arrangements and bilateral relationships.

I think there is no doubt that the United Nations must develop more effective pressures to get members to abide by its decisions and recom-

mendations where threats to the peace are involved. In this connection, I believe the creation and use of the United Nations Emergency Force is an important step in the evolution of voluntary peace-enforcing devices. The experience gained through this current experiment may prove invaluable in the future.

I look to the future of the United Nations, and of the role of the General Assembly in it, with optimism. It has recently faced crucial issues and has emerged a stronger and in some ways a more mature organization. We and the other member states will be called upon to assess its limitations and exploit its resources if it is to discharge well the purposes for which it was founded. The United States will continue to contribute its full measure of support to this end.

## **U.S. Replies to Canadian Note Regarding E. H. Norman**

Press release 201 dated April 10

*Following is an exchange of notes between the Canadian Embassy and the Department of State concerning references made to E. H. Norman, the late Canadian Ambassador to Egypt, during the hearings of the Senate Internal Security Subcommittee.<sup>1</sup>*

### **Text of U.S. Note**

APRIL 10, 1957

EXCELLENCY: I have the honor to refer to your note No. 155 of March 18, 1957 protesting, on behalf of the Canadian Government, against certain references to Mr. E. H. Norman, the late Canadian Ambassador to Egypt, which were made during hearings of the Senate Internal Security Subcommittee and which were later made public.

I should like, at the outset, to express to the Canadian Government and to Mrs. Norman my sincere condolences and those of my colleagues over the death of Ambassador Norman in Cairo.

As for the substance of your note, I wish to assure you that any derogatory information developed during hearings of the Subcommittee was introduced into the record by the Subcommittee

on its own responsibility. As you are aware, under our system of government, the Executive Branch has no jurisdiction over views or opinions expressed by Members or Committees of the United States Congress. The investigation being undertaken by the Subcommittee lies entirely within the control of the Subcommittee.

It is the earnest desire of my government to continue to maintain the friendliest relations with the Government of Canada and it deplores any development from any sources either American or Canadian which might adversely affect those relations.

Accept, Excellency, the renewed assurances of my highest consideration.

CHRISTIAN A. HERTER  
*Acting Secretary of State  
of the United States of America*

His Excellency

A. D. P. HEENEY,  
*Ambassador of Canada.*

### **Text of Canadian Note**

No. 155 WASHINGTON, D. C., March 18, 1957.

SIR, I am instructed by my Government to bring to the attention of the United States Government the allegations of disloyalty which have been made in the United States against Mr. E. H. Norman, the Canadian Ambassador to Egypt, a high and trusted representative of the Canadian Government. The irresponsible allegations to which I refer, and which in any event would concern matters to be dealt with by the Canadian Government and not by a Subcommittee of the United States Senate, were contained in the textual record of the Internal Security Subcommittee, of the Senate Committee on the Judiciary, which was officially released by that body to the press in Washington, D. C., at 4:30 p. m. on March 14.

I am instructed to protest in the strongest terms the action taken by an official body of the Legislative Branch of the United States Government in making and publishing allegations about a Canadian official. This procedure is both surprising and disturbing because it was done without the United States Government consulting or even informing the Canadian Government and without taking account of relevant public statements made earlier by the Canadian Government.

The Canadian Government examined similar

<sup>1</sup> For a Department announcement concerning earlier discussions between the Canadian Embassy and the Department, see BULLETIN of Apr. 1, 1957, p. 539.



allegations as long ago as 1951, and as the result of an exhaustive security enquiry the full confidence of the Canadian Government in Mr. Norman's loyalty and integrity has been confirmed in all respects. The conclusions of the Canadian Government were made public at that time and must have been known to the Subcommittee particularly as the State Department was requested at the time and again on December 11, 1952 to draw them to their attention. I am attaching the texts of two statements made by the Canadian Government on this matter in 1951.

The repetition of such irresponsible allegations in the Subcommittee and the publication on the authority of this official body of a record containing such allegations is the kind of action which is inconsistent with the long-standing and friendly cooperation characterizing relations between our two countries.

Accept, Sir, the renewed assurances of my highest consideration.

A. D. P. HEENEY

The Honourable JOHN FOSTER DULLES,  
*Secretary of State of the United States,*  
*Washington, D.C.*

#### ANNEX I

Following is text of press release issued by the Department of External Affairs on August 9, 1951:

"Mr. Norman was subject to the normal security investigation by the appropriate authorities of the Canadian Government, according to rules laid down which apply to all members of the Department of External Affairs.

"Subsequently, reports reached the Department which reflected on Mr. Norman's loyalty and alleged previous association with the Communist Party. These reports were very carefully and fully investigated by the security authorities of the Government, as a result of which Mr. Norman was given a clean bill of health, and he therefore remains a trusted and valuable official of the Department."

#### ANNEX II

Following is the text of a statement made in Ottawa on August 16, 1951 by the Secretary of State for External Affairs, Mr. Pearson:

"Immediately on receipt of a news report on Thursday last, confirmed shortly afterwards by our Embassy in Washington, that the name of a Canadian official had been mentioned in the hearings of a U.S. Sub-Committee on Internal Security, the verbatim record of those hearings was requested. It was impossible to get that verbatim record until Monday afternoon. After examining this record, a message was immediately sent to our Em-

bassy in Washington requesting them to inform the State Department of our surprise that the name of a highly respected and trusted senior official of the Canadian Government had been mentioned in a way which could not fail to prejudice his position.

"We emphasized our complete confidence in Mr. Norman and requested that the Congressional Sub-Committee be informed of this fact, and of our regret and annoyance that his name had been dragged into their hearings by their Counsel on the basis of an unimpressive and unsubstantiated allegation by a former Communist.

"We expressed the hope that the Committee would instruct their Counsel to act differently in future in matters which concerned officials of this Government, adding that we expect that if in investigations by committees of this kind in Washington, names of Canadian officials appeared, that these names should not be made public but that the normal practice should be followed of sending them to the Canadian Government through normal diplomatic channels. The allegations made could then be investigated here and the results of the investigation given to all those concerned.

"We have our own methods of security investigation in Ottawa, which may not be the same as those employed in Washington, but which we consider to be both fair and effective."

## U.S.-Canada Joint Commission Holds Executive Session

The International Joint Commission (U.S.-Canada) announced at Washington on April 5 the completion of a 3-day executive meeting. The Commission, which was created to implement the Boundary Waters Treaty of 1909, consists of three Commissioners from the United States and three from Canada. The present chairmen are Len Jordan for the United States and Gen. A. G. L. McNaughton for Canada. The Commission deals with problems involving the use of waters which flow along or across the U.S.-Canadian boundary, the longest in the world, and other questions which the Governments of the two countries refer to it for joint study and report.

At this meeting the Commission received progress reports from the various international engineering boards and technical advisory boards which it has established to advise it on specific matters and mapped the course of its future operations.

The remedial works at Niagara Falls, designed and constructed under the supervision of the Commission, will likely be completed within the next 2 or 3 months. The remedial works will preserve

and enhance the beauty of the falls, the crest of which has been eroding at an alarming rate for many years, and will at the same time permit the generation of increased amounts of hydro power on both sides of the river. It was learned also that the final cost of the works will be substantially less than the original estimate of some \$17 million which was announced 4 years ago. An international ceremony to mark completion of the project will be held at Niagara Falls in September.<sup>1</sup>

In its report of 1954 to the Governments of Canada and the United States concerning hydroelectric developments in the Saint John River Basin, the Commission recommended that for greater efficiency the New Brunswick Electric Power Commission system and the Maine Public Service Company's system should be interconnected. Under the provisions of the Fernald Act the export of hydroelectric power from the State of Maine was prohibited. This law has now been repealed by the Legislature of that State, and the Canadian authorities have reciprocated by authorizing the construction of the necessary transmission facilities and the exportation of surplus New Brunswick power to the State of Maine, thus clearing the way for interconnection of the two systems, as recommended by the IJC.

Investigation of the international tidal power potential of Passamaquoddy Bay, on the Maine-New Brunswick border, is proceeding on schedule and field operations will begin in earnest in a few days as the necessary equipment arrives on the scene.<sup>2</sup> A comprehensive investigation to determine the effect which the project would have on the important fishing industry of the area is being carried out simultaneously by fisheries experts of both countries. The Commission will visit the area at the end of June.

Maj. Gen. Emerson C. Itchner, Chief of Engineers, United States Army Corps of Engineers, and U.S. chairman of the International Columbia River Engineering Board, presented that Board's 26th progress report to the IJC. Engineering aspects of the Board's final report, which is now nearing completion, were discussed with the Commission. The chairman of the U.S. Section of

the Commission presented a chronology of the U.S. Government's two applications for the construction of a dam and reservoir on the Kootenai River<sup>3</sup> near Libby, Mont., and inquired as to the status of Canadian studies on possible diversion of part of the river's flow to the Columbia River at Canal Flats, British Columbia. He pointed out the urgent need for flood control on this river and the other benefits which would accrue from this project and requested that definitive action be taken with respect to the present application at an early date. The chairman of the Canadian Section advised that studies on the use of waters of the Kootenay and Columbia in Canada, including the diversion of these waters, are now well advanced and that the conclusions reached by the authorities concerned would be announced when available. He said, meanwhile, consideration would be given to observations made by the chairman of the U.S. Section and a reply would be presented shortly.

Following presentation of the progress reports of the International Souris-Red Rivers Engineering Board and Souris River Board of Control, alternative proposals for the apportionment of the waters of the Souris River, as between the Provinces of Saskatchewan and Manitoba and the State of North Dakota, were discussed by the Commission.

The Technical Advisory Board's report to the Commission indicated that steady progress is being made by municipalities and industries along the connecting channels of the Great Lakes in the campaign to eliminate pollution of these waters. With a view to overcoming the problem of pollution discharged from ships plying these waters, the Commission plans to hold a public hearing in the fall, at which the shipping interests and all affected parties will be given an opportunity to be heard.

The Technical Advisory Board on Air Pollution reported continued improvement in the smoke emission performance of ships plying the Detroit River during 1956. The Commission authorized the continuation of its voluntary control program for the abatement of vessel smoke on the Detroit River for the 1957 navigation season. The Board's final report to the Commission is now in the course of preparation and tentative findings

<sup>1</sup> For text of agreement on payment of expenditures on remedial works at Niagara Falls, see BULLETIN of Oct. 18, 1954, p. 588.

<sup>2</sup> For background, see *ibid.*, Aug. 20, 1956, p. 322.

<sup>3</sup> Spelled Kootenai in the United States, Kootenay in Canada. For background, see *ibid.*, June 7, 1954, p. 878, and Dec. 12, 1955, p. 980.



and recommendations were discussed with the Commission.

The International Lake Ontario Board of Engineers and the International St. Lawrence Board of Control submitted reports on the progress of studies on the regulation of the levels of Lake Ontario. Gail Hathaway, former special assistant to the Chief of Engineers, submitted his resignation as U.S. member of the International Lake Ontario Board of Engineers. The Commission expressed its gratitude to Mr. Hathaway

for his valuable and devoted services since the inception of the Board.

The Commission considered the terms of a supplementary order which it will issue with respect to regulation of the levels of the Namakan Chain of Lakes on the Minnesota-Ontario boundary. A public hearing was held at International Falls, Minn., last year, at which interested parties were heard regarding the recommendations of the International Rainy Lake Board of Control in this respect.

## Munitions Control and the Electronics Industry

*by Leonard H. Pomeroy*

*Chief, Compliance Branch, Office of Munitions Control<sup>1</sup>*

Today I would like to tell you something about the State Department's responsibility for exercising control over the traffic in arms with specific reference to the field of electronics.

For many years the control over the international traffic in arms has, in one form or another, been a function of the Department of State. It has been applied, of course, in an effort to further both world peace and national security. When we deal with arms and implements of war, we are not dealing with ordinary commodities that figure in world trade, such as cotton, wheat, automobiles, and the like. Instead we are dealing with lethal items designed primarily to kill or incapacitate. Thus the need to exercise close supervision over the international movement of arms becomes readily apparent.

There is nothing recent about the traffic in arms as an international problem. It presented a problem to the American colonists when they were fighting the Indians—Indians armed with foreign-made guns. It presented a problem when the

pirates of the Barbary states were defying the great powers of Europe in the Mediterranean Sea. But it is only in the 20th century that the traffic-in-arms problem has really become a control problem, and that is largely because of our modern mass-production techniques, the development of new weapons of warfare, more rapid means of transportation and communication, and our present-day, complex international political institutions. The development of new weapons of warfare and new techniques of warfare in the 20th century has made arms-traffic control a really important element in considerations which are demanding the attention of the Department of State in the conduct of our foreign relations.

Beginning in 1905, a policy of applying restrictions on arms exports, so as to strengthen recognized governments, discourage revolutions, and maintain order and stability in Latin America and elsewhere in the world, was adopted by the United States Government. This policy was applied again and again near the beginning of the century in the cases of Mexico, Cuba, Honduras, Nicaragua, and Brazil and was the basis for the action taken in cooperation with other world powers in

<sup>1</sup> Address made before the Radio-Electronics-Television Manufacturers Association at Washington, D. C., on Mar. 13.

the case of China in 1919. The Government did not exercise a formal licensing control in those days, but restrictions were imposed by a Presidential proclamation whenever the outbreak of civil strife seemed to warrant such action. In that early period the only statutory sanction was the Joint Resolution of Congress of April 22, 1898, a Spanish-American War measure to prevent the shipment of coal and contraband to Spain.

The United States cooperated with the other major powers of the world after the First World War in seeking to prevent the vast surpluses of arms left over after that war from being sold to revolutionists. It participated in the conventions of St. Germain of 1919<sup>2</sup> and of Geneva of 1925.<sup>3</sup> Those conventions developed a code for the international supervision of the traffic in arms.

In the 1930's this country took a leading part in promoting international disarmament and arms-traffic control measures, and a formal national export and import licensing system was incorporated in the Neutrality Act of 1935.

The Second World War brought about a repetition on a larger scale of the surplus problem which characterized the period following World War I and also brought with it a complex series of new situations. During the war a further vast advance in technological developments had taken place which, of course, added to the complexity of the control problem. Following the war there was a series of uprisings in various parts of the world, particularly against colonial authorities. Also in the period following World War II, the so-called cold war between the Communist bloc and the Western nations has given rise to a new political situation and has resulted in an embargo on trading with the Soviet bloc in militarily strategic commodities, as well as in United States Munitions List articles. All of these factors have made the control problem of today more complex and more important to our national security.

In 1954 the most recent export control law was included in the Mutual Security Act of that year. Section 414 of that act states that the President is authorized to control, in furtherance of world

peace and the security and foreign policy of the United States, the import and export of arms, ammunition, and implements of war—a function which the President, by Executive order, has delegated to the Department of State. The jurisdiction of the Department of State in this field is further defined by the United States Munitions List, which designates those articles which are covered by the term “arms, ammunition, and implements of war.” The Departments of State and Defense, incidentally, have concurrent jurisdiction in carrying out the function of designating articles for inclusion on that list.

#### **Electronics Equipment on U.S. Munitions List**

There are some eight types of articles on the United States Munitions List which come under the general description of electronics equipment and which I will briefly review:

1. Control mechanisms and control systems for guided missiles and pilotless aircraft. This is a category of items which shows the modern military adaptations of electronics equipment.

2. Fire-control and gun-tracking equipment. Up-to-date fire-control equipment is most important in the operational use of both land- and ship-based artillery. Gun-tracking equipment is usually a piece of radar equipment which controls antiaircraft guns and keeps them continuously pointed at a target.

3. Radar of all types, including guidance systems and airborne or ground equipment therefor. The “master and slave station” technique which is employed in the case of guidance systems provides for the remote control of aircraft, missiles, vehicles, or watercraft by the use of the electronic beam.

4. Electronic countermeasure and jamming equipment. The importance of this type of equipment in thwarting free-world broadcasts to the East is well known.

5. Military underwater sound equipment. Sonar and all types of marine radar are considered militarily important, and therefore such articles are under the State Department's export and import licensing jurisdiction.

6. Electronic navigational aids specially designed for military use, such as radio direction-finding equipment.

7. Radio distance-measuring systems, such as Shoran, and hyperbolic grid systems, such as

<sup>2</sup> Convention for the Control of the Trade in Arms and Ammunition, signed Sept. 10, 1919; for text, see *Foreign Relations of the United States*, 1920, vol. I, p. 180.

<sup>3</sup> Convention for the Supervision of the International Trade in Arms and Ammunition and in Implements of War, signed June 17, 1925; for text, see *ibid.*, 1925, vol. I, p. 61.



Raydist, Loran, and Decca, providing a "master and slave station" technique in transmitting and receiving electronic impulses, enable aircraft to navigate over water with a good deal of accuracy and have other important military uses.

8. Any military communications electronics equipment specially designed for military use is, of course, also included under the category of military electronics.

With regard to components and parts, the Department of State is given jurisdiction in the following cases:

1. If the components or parts are specially designed for military use and are used primarily for military purposes;

2. If the components or parts are specially designed for or intended for use with airborne equipment.

On the other hand, if the component or part, though originally designed for military equipment, has lost its distinctively military character, it may be transferred from State Department to Commerce Department jurisdiction. Such a case is that of cathode ray tubes, used in television sets.

#### **Control of Technical Data**

The development of new techniques of arms production and intensive intelligence collection and espionage efforts on the part of potential enemy powers has broadened the concept of munitions controls to embrace the control of the exportation of militarily significant technical know-how. The Department of State has had a leading role in the formulation of governmental policies on military information control, particularly since the passage of the Espionage Act of 1917, providing in part for the control of military secrets. Through an interagency coordinating committee the Departments of State and Defense have co-operated in the formulation of policies governing the disclosure of such information to certain foreign governments.

As a result of the ever-increasing momentum in American inventive and manufacturing genius, the technological aspect of munitions control is becoming increasingly more vital. Technical data relating to munitions and all materials bearing a security classification are specifically included in the United States Munitions List. Under the provisions of section 414 of the Mutual Security

Act and the implementing regulations, a license issued by the Secretary of State is required in all cases for the export of unclassified technical data relating to articles on the United States Munitions List when they are destined for the Sino-Soviet bloc countries. A license is also required for the export of such data to all other destinations except when otherwise exempted by the Department's regulations. Exemptions are provided for technical-data exports to non-Communist countries in the following four instances:

1. When in published form;
2. When available by subscription or purchase to any individual without restriction;
3. When granted a second-class mailing privilege by the United States Government;
4. When freely available at public libraries.

When a license is required, a flexible system of control has been devised in this field which is specially adaptable to varying industrial situations. Special clearance procedures have been developed, for instance, in the case of applications for licenses to export technical data with applications for foreign patents to enable the foreign filing of patents within the convention year, a convention year being the permissible lapse of time by international convention within which an applicant for a United States patent may obtain prior rights abroad by filing in the foreign country.

In the regulatory process in this field, as well as in the formulation of procedural rules and policy criteria, exchanges of views with industry have been practiced to foster an appreciation on the part of both industry and Government of mutual problems and to develop a mechanism of control which is fair to industry, workable, and within the intent of the law.

#### **Division of Administrative Responsibilities**

Perhaps it would be helpful if I reviewed some of the mechanical aspects of licensing controls. In a sense, there is a dichotomy of responsibility in the administration of the law because the Office of Munitions Control merely passes on the question of whether arms shipments shall or shall not be imported or exported and, depending on that decision, issues or refuses to issue licenses to import or export arms shipments. Customs officers stationed at the ports of entry or exit police the matter by checking the shipments against the au-

thorizations set forth in licenses issued by the Department. In the sense, therefore, that the Department of State determines the question of the exportability or the importability of shipments and the collectors of customs enforce the decision at the border point, there is a division in the administration of controls between the Bureau of Customs and the Office of Munitions Control.

Furthermore, there are also two readily distinguishable aspects in the enforcement function exercised by the Bureau of Customs which are discharged by separate branches of that bureau, i. e., the collectors of customs on the one hand and the Customs Agency Service on the other. The customs collectors, with their staffs of customs inspectors and other personnel, exercise strict supervision of all outgoing and incoming shipments to insure compliance with the rules and regulations of the Secretary of State. The staffs attached to the Customs Agency Service investigate reported violations to ascertain all the facts, and customs investigators prepare detailed reports and analyses of such reported violations. They lay the basis for legal action against violators when that is indicated and assist in procuring any documentation and depositions which may be needed in subsequent legal proceedings.

Current internal administration of the licensing system by the Office of Munitions Control is based upon the principle of functional specialization, separating the responsibilities connected with intelligence and information collecting, investigation, enforcement, and prosecution from the responsibilities connected with the determination and application of policy criteria. In the administration of the munitions control function, this functional specialization permits more effective coordination of the license issuance responsibilities with the policy and security determination phases of review. Consequently, a more direct and much more efficient application of overall policy objectives to particular shipments of munitions is possible. The need for correlation with national policy is, of course, more vital in the munitions field, where the items being shipped have important implications for national security and international peace, and in this respect it differs from the licensing function as applied to shipments of non-munitions articles, both as to administrative methods employed and policy objectives sought.

While a large number of proposed shipments

are of routine character, many clearly involve complex policy questions containing elements of significance to the security interests of the United States and other aspects of United States foreign policy. In the evaluation process, one of the principal criteria for determining the degree of control to be exercised over articles licensed for export by the Secretary of State is the war potential of the articles proposed to be exported. The exportation of articles having insignificant war potential is authorized with practically no delay, whereas the exportation of articles possessed of high military potential, such as guns, tanks, military aircraft, and vessels of war, is subject to the most careful scrutiny to assure that the shipment is in conformity with current policies.

#### **International Cooperation in Arms-Traffic Control**

It has long been established by students of the problem that no effective control of the international traffic in arms can be achieved except by international agreement. I have mentioned as early efforts in this direction the convention of St. Germain of 1919 and the Geneva convention of 1925. Since the Second World War the nations of the North Atlantic Treaty Organization have cooperated in embargoing to the Sino-Soviet bloc military items on the United States Munitions List, as well as certain groups of strategic items not on that list. Since most of the governments of Western nations feel the same way about arms smuggling and since the members of NATO include the principal arms-producing countries, it has been possible to enlist informal cooperation on the part of those countries. Members of the SEATO and ANZUS alliances can also be relied on to cooperate in this field and take parallel action in arms-traffic cases. The ANZUS treaty links Australia, New Zealand, and the United States; and the SEATO treaty links Australia, France, Great Britain, New Zealand, Pakistan, the Philippines, Thailand, and the United States in defensive alliances.

The United States, of course, is also obligated under the charter of the United Nations to help establish and maintain international peace and security in the words of the charter, "with the least diversion for armaments of the world's human and economic resources." As a member of the United Nations, the United States is obligated to control the exportation of munitions to any



state against which the United Nations is taking preventive or enforcement action.

The United States has also cooperated with the Council of the Organization of American States and other signatory nations under the Rio Pact to thwart the threat of Communist infiltration and the forcible overthrow of constituted governments in Latin American states. Thus the munitions control activities of the Department of State were, in part, responsible for bringing the Communist threat in Guatemala of a few years ago to public attention.

Many of the objectives of munitions control are directly related to those of world disarmament, and the techniques developed to aid in the administration of munitions control can be expected eventually to serve as the guideposts for international disarmament control at such time as an accord is reached on that important project.

Now in conclusion let me make the following observations by way of summary.

As a result of the technological developments of recent years, military electronics is assuming an increasingly more important role in the weapons arsenals of modern military establishments. The United States Munitions List covers those articles in this field which contribute to the effectiveness of military equipment. It is the policy of this Government to exercise control over the exportation and importation of such equipment and over the exportation of technical data relating thereto in the light of our national security and foreign policy interests. The Department of State, which is charged with the administration of the law, seeks the loyal cooperation of American industry and citizenry as a most essential element in the successful administration of the law, and it tries in every way to adjust its procedures to take into account commercial considerations consistent, of course, with the realization of our national policy objectives to further world peace and the security and foreign policy of the United States.

## **President Requests Further Data on Imports of Safety Pins**

White House press release dated March 29

The President on March 29 asked the U.S. Tariff Commission for further information on several questions relating to the Commission's re-

cent investigation of the effect of imports on the domestic safety-pin industry. With the additional information, the President stated that he would be "in a better position to make a decision" on the recommendations of the Commission.

On January 30, 1957, the Commission had reported to the President its 4-2 decision recommending an increase in the tariff on imported safety pins.

Senator Harry Flood Byrd, Chairman of the Senate Committee on Finance, and Representative Jere Cooper, Chairman of the House Committee on Ways and Means, were advised by the President of his action.

### **President's Letter to Edgar B. Brossard, Chairman of Tariff Commission**

MARCH 29, 1957

DEAR MR. CHAIRMAN: I have carefully studied the Commission's report of January 30, 1957 on its investigation under Section 7 of the Trade Agreements Extension Act of 1951, as amended, regarding safety pins.

Additional information on a number of points raised by the Commission's report would be helpful to me in reaching a decision in this case.

It would be very useful to have the production, sales, employment, and profit data on the two safety pin producers not presently included in the Commission's report as would similar data on the industry's operations on uncapped pin wires. In addition, I would like to have data on the other products made on safety pin machines and on the firms producing plastic-capped safety pins.

Supplemental information on the industry's profit experience would also assist me: annual data for safety pin operations and for the total operations of the plants involved for 1935-39 and for 1946-50; the basis for the industry's allocation of costs, particularly administrative and selling costs, to its safety pin operations; and the impact upon the industry figures of the one firm which reported losses in four years since 1950 and whether that firm's operations have been materially affected by factors other than imports. Finally, clarification of the nature and source of the industry's over-capacity, referred to in the Commission's report, would be desirable.

I would appreciate the Commission's supplying this additional information. It may, to the ex-

tent necessary to avoid improper disclosures, be submitted in confidence. With these points clarified, I would be in a better position to make a decision.

Sincerely,

DWIGHT D. EISENHOWER

## **President Decides Against Increase in Tariff on Straight Pins**

White House press release dated March 29

The President on March 29 declined to accept the recommendation of the U.S. Tariff Commission for an increased duty on straight (dress-makers' or common) pins.

On January 30, 1957, the Tariff Commission had reported to the President the results of its investigation on straight pins under section 7 of the Trade Agreements Extension Act of 1951, as amended.<sup>1</sup> Although the Commission found unanimously that imports have caused no serious injury to the domestic straight-pin industry, the Commission concluded, in a 4-2 decision, that imports threatened such injury in the future. Accordingly, the majority of the Commission recommended that the duty on imported straight pins be increased.

In identical letters to Senator Harry Flood Byrd, Chairman of the Senate Committee on Finance, and Representative Jere Cooper, Chairman of the House Committee on Ways and Means, the President noted that the domestic industry's sales, prices, and profits have increased since 1952. The President also noted that wage rates in the industry have increased steadily and that there was no unemployment in the industry. The President did not find that the evidence in this case was "of such a character as to leave no doubt that actual injury is imminent."

### **President's Letter to Senator Byrd and Representative Cooper**

MARCH 29, 1957

DEAR MR. CHAIRMAN: The United States Tariff Commission submitted to me on January 30, 1957 a report of its investigation on straight (dress-

makers' or common) pins under Section 7 of the Trade Agreements Extension Act of 1951, as amended. Although the Commission found unanimously that imports have caused no serious injury to the domestic straight pin industry, the Commission concluded, in a four to two decision, that imports threatened such injury in the future. Accordingly, the majority of the Commission recommended that the duty on imported straight pins be increased.

As the Commission's report shows, imports of straight pins have increased since 1948. Domestic production and sales have apparently declined from the peak post-war years and from the pre-war average. Profits and employment are less than they were in the highest post-war years. The consumption of straight pins, however, has also declined.

Aside from the comparison with a few peak post-war years, the sales, employment, and profits of the domestic industry do not appear to have been endangered. Hourly wage rates of workers in the industry have increased steadily and there is no unemployment. In fact, the record suggests a shortage of experienced operators of pin-making machines.

Sales of the domestic industry have moved fairly steadily upward since 1952 and, in the face of increasing imports, their prices have increased considerably more than the wholesale price index generally and more than the index for fabricated non-structural metal products.

The profits of the domestic industry have increased fairly steadily since 1952. The tariff concession was already well in effect during 1950 and 1951, the only post-war years in which profits substantially exceeded those of 1955, the last full year for which the Commission's report presents statistics. For 1955 and for the portion of 1956 for which the facts were given, furthermore, the rate of profit, as a percentage of sales, on straight pins exceeded for the first time the producers' rate of profits on the total output of their plants manufacturing, among other things, straight pins.

When the threat of injury, rather than present injury, is the ground of decision, I believe, as I have said before, that the evidence brought forward to substantiate the judgment of threat must be of such a character as to leave no doubt that actual injury is imminent. I am not persuaded that the evidence in this case is of such a character.

<sup>1</sup> Copies of the report may be obtained from the U.S. Tariff Commission, Washington 25, D. C.



I am not, therefore, authorizing an increase in the existing import duties on straight pins.

Sincerely,

DWIGHT D. EISENHOWER

## President Decides Against Increase in Tariff on Violins and Violas

White House press release dated March 30

The President has declined to accept the recommendations of the U.S. Tariff Commission for an increased duty on imports of violins and violas valued at not more than \$25.

On January 29, 1957, the Tariff Commission had reported the results of its investigation under section 7 of the Trade Agreements Extension Act of 1951, as amended, regarding violins and violas valued at not more than \$25 each.<sup>1</sup> The Commission, by a 3-2 vote with one Commissioner absent, found that the domestic industry was being seriously injured.

In identical letters to Senator Harry Flood Byrd, Chairman of the Senate Committee on Finance, and Representative Jere Cooper, Chairman of the House Committee on Ways and Means, the President stated that this was an unusual case because "imports, in general, do not undersell the domestic product." The President said that although he was "sympathetic with the problems of the domestic manufacturer," he was not persuaded, on the basis of the clear facts "that his case satisfies the statutory test." Nor did the President believe that "an increase in duties, which would raise the cost of music instruction for young people throughout the country, holds much promise of solving the difficulties of the domestic manufacturer."

### President's Letter to Senator Byrd and Representative Cooper

MARCH 29, 1957

DEAR MR. CHAIRMAN: I have carefully reviewed the United States Tariff Commission's report of January 29, 1957 on its investigation under Section 7 of the Trade Agreements Extension Act of 1951, as amended, regarding violins and violas valued at not more than \$25 each. The Commission, by a three to two vote with one Com-

missioner absent, found that the domestic industry was being seriously injured and recommended that the rate of duty on violins and violas valued at not more than \$25 be increased.

Violins and violas of this type are manufactured in the United States by one company with about thirty production employees. This company as the Tariff Commission report points out, is in difficulties, and imports, although still considerably lower than in the pre-war period, have increased since the tariff concessions of 1948 and 1951. As a prerequisite to escape clause relief, however, the law requires that the difficulties of the domestic producer be substantially attributable to increased imports, resulting at least in part from a tariff concession, of like or directly competitive products.

It should be made clear that this is an unusual case. The imports, in general, do not undersell the domestic product. The price of nearly all of the imports exceeds the price of the great bulk of the domestic product. The school market, the most important market for violins and violas in the United States, has preferred the higher priced imports. The imported product meets the standards of quality which have been established for the school market. These standards, while not binding, are widely followed by the schools. The bulk of the domestic production, the manufacturer acknowledged, does not meet these standards. The domestic industry's product is largely sold in the folk music market.

A small portion of the domestic output does purport to meet the school standards. This part of the domestic production is higher priced than most of the imports, but the domestic manufacturer has acknowledged that even his better product meets consumer resistance in the school market for reasons quite apart from price.

Although I am sympathetic with the problems of the domestic manufacturer, I am not persuaded that his case satisfies the statutory test. Nor do I believe that an increase in duties, which would raise the cost of music instruction for young people throughout the country, holds much promise of solving the difficulties of the domestic manufacturer.

I have decided, therefore, that escape clause action would be inappropriate in this case.

Sincerely,

DWIGHT D. EISENHOWER

<sup>1</sup> Copies of the report may be obtained from the U.S. Tariff Commission, Washington 25, D. C.

## **United Nations Commission on the Status of Women**

*Following are two statements made at the 11th session of the U.N. Commission on the Status of Women by Mrs. Lorena B. Hahn, U.S. representative.*

### **STATEMENT OF MARCH 21 ON ACCESS OF WOMEN TO EDUCATION**

U.S./U.N. press release 2647

To assure educational opportunity for girls, three steps appear necessary: (1) enough school facilities for all, (2) compulsory school attendance, and (3) enforcement of school laws.

#### **Provision of Enough Schools for All**

I say all, rather than all girls, because I am sure we believe every boy should have an education, just as every girl should have an education, and, where there are not enough schools to go round, the problem is more schools for boys and girls alike. This matter of enough schools is an endless task in all countries. Schools wear out and have to be replaced; new towns and cities grow up and new schools must be provided where the children live; standards of what constitutes adequate school facilities are constantly rising, so that each community wants to have the finest in classrooms, teachers, textbooks, and play spaces.

But at the moment we are concerned particularly for girls who have no schools at all, or at best only a few grades of education. A few years ago the International Conference on Public Education suggested that, where school buildings had been provided for boys but not for girls, students might be placed on a double shift, with the boys attending in the morning and the girls in the afternoon, or vice versa. In the United States, where schools have been provided for all for many years, there is often a district in which school buildings must be used on double shift

while new schools are being built or because the number of children in a particular grade exceeds expectation. This situation is easier where co-education is acceptable and girls and boys can attend classes together. It is always a temptation to feel that new schools can be postponed, or at least that the school for girls can be postponed. But children cannot wait—they need to be educated now. A girl who cannot go to school as a child has missed that opportunity forever and must catch up, if at all, only at the expense of time and energy needed for other things in her mature years.

#### **Compulsory School Attendance**

Since compulsory education laws apply equally to girls and boys, our Commission has adopted resolutions at several sessions urging the importance of legislation of this type.

Reports from UNESCO confirm that in countries having compulsory education the proportion of girls in school tends to be greater than elsewhere. Compulsory education is especially helpful in areas where it has not been usual to send little girls to school and parents may therefore hesitate unless they are required to do so. A great many countries have already adopted school attendance laws covering at least elementary education. The report before us<sup>1</sup> makes it clear that we should be especially vigilant where such laws do not exist. However, as we all know, laws in themselves are of little value unless there is adequate machinery for law enforcement. I come therefore to my third point.

#### **Law Enforcement**

When we begin to think about enforcing compulsory education, for girls as well as boys, we come back at once to the problem of more schools. We cannot expect effective law enforcement until there are enough schools for all. But we should think of law enforcement as more than a threat. Often the reason a child is not in school is illness in the family, or lack of suitable clothes, or difficulty in transportation, or some other problem in which social services are needed. This is one of the areas in which technical assistance can be of great value, in the field of health as well as education.

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<sup>1</sup> U.N. doc. E/CN.6/291.



## Course of Study for Girls

In this brief analysis I have not touched on courses of study which should be provided for girls. This is another field to which we may want to give attention, perhaps in some future meeting. Our view in the United States is that girls and boys should have access to the same courses throughout, even though we can expect that their natural choices will result in a larger proportion of girls choosing such subjects as domestic science. What is of fundamental importance, for girls as well as boys, is that they be provided with a broad and thorough understanding of the great ideas of our world, of the humanities and the sciences, so that they can be possessors of culture and can enjoy and appreciate the arts. It is not enough to think of education as leading only to a vocation or profession, though such training should be available in equal measure. Neither is it enough to think of education for girls merely in terms of homemaking, though all agree that an intelligent and educated mother can contribute far more to her family and to her country because she has had years in school. The purpose of education, for girls as well as boys, is the development of the whole person to his or her greatest capacity. That is the goal, not a cramping into particular patterns or preparation for particular tasks. In the words of the Universal Declaration of Human Rights,

Education shall be directed to the full development of the human personality and to the strengthening of respect for human rights and fundamental freedoms.

The UNESCO report in E/CN.6/291 summarizes a variety of activities in the UNESCO program bearing on the access of women to education. This report makes it possible for the Commission to understand and evaluate the UNESCO program as it relates to the status of women. Similar reports of this type will be useful in future Commission meetings.

While some sections of the report indicate progress, the information on exchange of persons is disturbing in that the proportion of women receiving foreign grants is small. For instance, women received only 4 out of 35 regional grants, 5 out of 35 youth grants, 6 out of 65 group travel grants, and 2 out of 125 worker grants. The problem does not appear to be a lack of fellowships, since a considerable number are available to both sexes and a reasonable proportion are open to women only. The number of women interested

in international study may be less than men, but the disproportion in fellowships granted appears unduly great. It is probable that tradition, favoring men, as well as the much smaller relative number of women qualified to apply for fellowships, also plays a role.

Nongovernmental organizations might be encouraged to bring additional information about fellowships to the attention of women. The UNESCO publication, *Study Abroad*, lists such opportunities with important details. National organizations can help their members by publishing the listings available to their members. I understand the American Association of University Women provides information on international fellowships in their *Quarterly Journal*.

The UNESCO report in E/CN.6/301 shows that women are being used as teachers in almost all countries in considerable numbers, particularly in primary schools. However, in countries where there have not been many schools, the need for more teachers may be very great. While the proportion of women teachers in these countries may be encouraging, the entire number of teachers may actually be very small. We should therefore be alert to help girls in these areas prepare for teaching.

The report points out that conditions for women in the teaching profession are not always equal and training opportunities are often limited. UNESCO proposes a survey which would involve a direct inquiry to governments. Since this survey would help in considering measures to redress inequality and attract women to the teaching profession, the United States favors further work by UNESCO along this line.

The United States has had some experience in training mature women for teaching to meet a shortage of teachers in the lower grades. Many more children are entering school at this time because our birth rate has gone up the last 5 or 6 years. We are finding that married women whose children are grown and no longer in the home are now willing to undertake new work or to go back to teaching which they may have given up soon after marriage. Our Women's Bureau has worked closely with the United States Office of Education in encouraging study courses to prepare these women for teaching, in some cases refreshing earlier skills and in others supplying a basic understanding of educational principles all teachers need.

## STATEMENT OF MARCH 25 ON EQUAL PAY FOR WOMEN

U.S./U.N. press release 2649

The United States delegation welcomes this opportunity to express its appreciation for the valuable reports prepared this year by the Secretary-General and the ILO.<sup>2</sup> This is the third consecutive year in which the Secretary-General has furnished us with information from nongovernmental organizations on the practical methods which are being used to put the equal-pay principle into effect.

The ILO report also provides useful information on implementation of equal pay. We wish to express our appreciation for the inclusion in the ILO report of information on equal-pay experience in the United States. This information was supplied by the United States Government in response to the ILO questionnaire on application of the equal remuneration principle, as stated in convention 100 and recommendation 90. It shows that, as of the date on which the United States transmitted its reply, substantial progress has been made in the United States toward the effective implementation of equal pay.

Since that date, President Eisenhower, in his state-of-the-Union message early in 1956, called for the elimination of remaining wage differentials against women as a matter of simple justice. The President reiterated this view in both his economic report and his budget message this year.

The reports before the Commission this year were prepared in response to the Commission resolution which called particular attention to procedures for implementation of equal pay in collective bargaining agreements. The reports also discuss other methods of implementation, including the enforcement of equal-pay legislation. In the United States we rely on both collective bargaining and legislation to give practical effect to the equal-pay principle. We would accordingly like to comment on equal progress in both fields.

### Equal Pay Progress Through Collective Bargaining

Both the Secretary-General and the ILO reports show significant progress in implementation of the equal-pay principle through collective bargaining procedures. The ILO report states, for example, that in France none of the collective bargaining agreements in force at the present time

establish wage differentials for men and women in identical occupations. Moreover, the relative average level of women's wages has been raised 57 percent, the highest percentage gain in women's wage levels reported by any country.

In the United Kingdom a new agreement in a major industry provides for the achievement of equal pay in six successive annual adjustments, illustrating the usefulness of a step-by-step approach. In Australia the Australian Congress of Trade Unions convened a 1-day meeting attended by 65 Federal unions in which it was agreed to organize a national petition supporting equal pay. In Belgium the Government has initiated a constructive program whereby unions are requested to report on the progress made toward the elimination of discriminatory rates in collective bargaining agreements. In the Philippines the Government is encouraging trade union organization among women as a means for creating a favorable climate on equal pay. In Portugal the Government has approved regulations establishing women's sections inside a number of national unions.

*Women Union Membership:* In the United States women workers are estimated to constitute about one-sixth of the membership of unions. Union organization among women is particularly strong in the manufacturing industries employing large numbers of women. Of 199 unions that replied to a Bureau of Labor Statistics questionnaire on union membership in 1954, the vast majority reported that they had women members. Six unions reported having more than 100,000 women members each. They were:

- International Ladies' Garment Workers' Union, with 330,500
- Amalgamated Clothing Workers of America, with 279,100
- International Brotherhood of Electrical Workers, with 189,000
- Communications Workers of America, with 180,000
- Retail Clerks International Association, with 132,500
- Textile Workers Union of America, with 117,000

*Union Equal-Pay Policy:* A recent development of major significance was the formal endorsement in June 1956 of Federal equal-pay legislation by the top Executive Committee of the combined AFL-CIO unions. Prior to the merger of these two great organizations, both the AFL and the CIO had repeatedly expressed support for the equal-pay principle, but the AFL for many years

<sup>2</sup> U.N. docs. E/CN.6/296 and E/CN.6/300.



opposed implementation of the principle through Federal legislation. The decision of the combined unions to work for implementation of equal pay through two major methods—legislation and collective bargaining—has been interpreted as both a definite gain for the equal-pay movement and a tacit recognition of the increasing importance of women as union members.

Unions are also continuing to press for equal-pay clauses in the negotiation of contracts. The increasing importance of such clauses is demonstrated by two United States Labor Department studies made at an interval of 5 years. The first study, made by the United States Bureau of Labor Statistics in 1951, showed that about 24 percent of the agreements had equal-pay clauses. The second such study, made by the United States Women's Bureau in 1956, showed that almost 40 percent of the agreements had such clauses.

A comparison of the incidence of equal-pay clauses in contracts for the same industry in the two periods shows the same results. Thus, in the electrical machinery industry, equal-pay clauses in union contracts increased from 42 percent in 1951 to 53 percent in 1956; in textiles from 35 percent to 42 percent; in food industries from 24 percent to 35 percent; in fabricated metals from 22 percent to 29 percent; and in transportation equipment from 29 percent in 1951 to 40 percent in 1956.

The fact that 40 percent of the agreements contained equal-pay clauses does not necessarily indicate the existence of discriminatory wage rates in the other 60 percent. Many unions have established rates for the job through participating with management in the development of a sound and objective rate structure based on job content. The significance of such clauses is that the equal-pay principle is expressed in concrete terms.

#### **Equal Pay Progress Through Legislation**

The Secretary-General's report calls attention to the importance of adequate wording in equal-pay legislation and the relationship between such wording and effective enforcement of such laws. This has been demonstrated by experience with State equal-pay laws in the United States.

The State legislatures in the United States have often been referred to as a laboratory for experimentation in social legislation. Until about 1942 only two equal-pay laws were in effect, both of

which had been adopted prior to 1920. Beginning with 1942, and continuing to the present period, 14 additional States and Alaska have adopted such laws.

Since the field is so new, many innovations in approach and language have been tried. Some of these have proved difficult to enforce. Others have proved exceptionally effective. In one State, for example, the law prohibits payment of a lower wage rate to a woman who *replaces* a man, thus discouraging an employer from discharging a male employee in order to hire a woman at a lower rate.

Amendments to these laws are gradually being adopted as experience indicates the need for them. In one State, for example, where the original law provided for equal pay for the *same* work, the law was amended to provide for equal pay for *comparable* work. This wording permits minor variations in the work between a man and woman, without depriving the woman of equal pay.

We have one further comment on the legislative aspects of the report, namely, the value of minimum-wage laws as a step toward implementation of equal pay. Minimum-wage laws in the United States set the same rates for men and women workers. No differentials in legal minimum wages are in effect under the Federal law or such State laws as apply to both sexes. Nevertheless, our experience has shown that minimum-wage laws have only a limited usefulness in removing wage discrimination against women. As a practical matter, women workers are sometimes paid exactly the minimum wage and men are paid at a higher rate for the same work. The value of minimum-wage laws consists primarily of raising the standard of living by eliminating substandard wages; they do not, however, insure that a woman worker will receive the same rate as a man for the same job.

#### **Next Steps That Should Be Considered**

There has been considerable discussion in the past few days of the importance of continuity in the Commission's work. We are in full agreement with this point of view. It seems to us very important to try to build on what has gone before so that each year we can continue to show significant results from our work.

The progress we have made to date is reflected in the series of equal-pay reports prepared by the Secretary-General and the ILO. These reports rep-

resent an achievement, not only for the officials who prepared them but for the Commission as well. They show that we as members of the Commission are coming to grips with the problem of removing wage discriminations against women. We no longer address ourselves only to the establishment of the equal-pay principle; we also consider the practical methods by which the principle can be effectively applied.

Consideration of these reports at our annual sessions has greatly increased our knowledge of effective methods for implementation of equal pay. However, wider public understanding of the whole equal-pay issue is essential if we are to succeed in removing the remaining wage differentials against women.

We think the time has come, therefore, for the Commission to develop a new promotional program. This can best be done through preparation of a sales pamphlet directed to promoting widespread acceptance and application of the equal-pay principle. Such a pamphlet was proposed in the resolution adopted at last year's session,<sup>3</sup> but in the final discussion of program it was relegated to the low-priority category. We believe the pamphlet should be made available without further delay.

Such a pamphlet should be broad in scope. It should explain what the equal-pay principle is, why it is important, and how it can be applied. One of its purposes should be to clarify prevailing misconceptions. It should explain, for example, that equal pay is important not only to the women workers directly affected but to men workers and their families. Men's wage levels and the standard of living of their families are potentially threatened whenever women can be employed at lower rates for the same work. It should point out the importance of equal pay in encouraging women to obtain the necessary training for higher-skilled jobs, thus enabling them to make their best contribution to the economy as a whole.

We would like to see this pamphlet prepared at the earliest possible time. To be most useful, it should draw on the wealth of information available from the nongovernmental organizations in the Secretary-General's report this year as well as in previous reports of the Secretary-General and discussions at plenary sessions. In addition to

its immediate purpose, publication of this type of sales pamphlet would help to promote women's status and opportunities in the whole economic field.

## **U.S. Extends Invitation to WHO for Eleventh Assembly**

Press release 206 dated April 11

The Department of State announced on April 11 that it has extended the invitation of the U.S. Government to the World Health Organization to convene the 11th World Health Assembly in this country in May of 1958. The invitation was extended pursuant to the authorization contained in Public Law 832, 84th Congress.

The World Health Organization, with permanent headquarters at Geneva, Switzerland, is an association of 88 member countries for the purpose of promoting international cooperation in the field of health. It is one of the 10 specialized agencies of the United Nations system.

The World Health Assembly is the supreme governing body of the World Health Organization. The World Health Assembly meets annually to determine the policies of the World Health Organization and, in 1958, will celebrate the 10th anniversary of the founding of that body. The United States has been an active member of the World Health Organization since its inception.

## **U.N. Invited To Hold Atomic Energy Conference at Chicago**

U.S./U.N. press release 2655

*Following is the text of a note transmitted by the Acting Representative of the United States of America to the Secretary-General of the United Nations on April 3.*

The Acting Representative of the United States of America to the United Nations presents his compliments to the Secretary General of the United Nations and has the honor to refer to the Resolution on the Peaceful Uses of Atomic Energy approved by the General Assembly on December 3, 1955, providing, "that a second international conference for the exchange of technical information regarding the peaceful uses of

<sup>3</sup> For a report of the 10th session by Mrs. Hahn, see BULLETIN of June 18, 1956, p. 1033.



atomic energy should be held under the auspices of the United Nations.”<sup>1</sup>

In this connection the Acting Representative would like to take this opportunity to present on behalf of the city of Chicago its invitation to the United Nations to hold the Second International Atomic Energy Conference in that city. Chicago would consider it a great honor to be permitted to play host to this great international event.

The Mayor of Chicago advises that all the facilities needed for the successful conduct of the conference will be provided by the city of Chicago. It is further understood that representatives of the city of Chicago will make themselves available to discuss with the Secretary General of the United Nations the question of the facilities that would be needed to hold the international conference in Chicago.

## **Current U.N. Documents: A Selected Bibliography**

### **Economic and Social Council**

Development of International Travel, Its Present Increasing Volume and Future Prospects. Addendum to the note by the Secretary-General. E/2933/Add.4, January 25, 1957. 5 pp. mimeo.

Social Commission. Recommendations of the First United Nations Congress on the Prevention of Crime and the Treatment of Offenders. E/CN.5/322, January 28, 1957. 5 pp. mimeo.

Commission on Human Rights. Provisional Agenda for the Thirteenth Session of the Commission on Human Rights. E/CN.4/733, January 30, 1957. 5 pp. mimeo.

Report of the Committee on the Tenth Anniversary of the Universal Declaration of Human Rights. E/CN.4/735, February 11, 1957. 9 pp. mimeo.

### **TREATY INFORMATION**

## **Agricultural Surplus Commodity Agreement With Iceland**

Press release 204 dated April 11

A surplus commodity agreement between the Government of the United States and the Government of Iceland was signed at Washington on April 11 by Thorsten V. Kalijarvi, Assistant Secretary of State for Economic Affairs, on behalf

<sup>1</sup> BULLETIN of Nov. 14, 1955, p. 801.

of the United States, and Vilhjalmur Thor, Director of the National Bank of Iceland, on behalf of Iceland. The agreement provides for financing the sale of \$2,785,000 worth of surplus agricultural commodities (including certain ocean transportation costs) for kronur, the Icelandic unit of currency.

The agreement was negotiated under title I of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480). The commodity composition of the agreement follows:

| Commodity                      | Approximate quantity    | Market value<br>in thousands<br>of dollars |
|--------------------------------|-------------------------|--------------------------------------------|
| Wheat flour-----               | 6,000 metric tons----   | 700                                        |
| Barley-----                    | 8,600 metric tons----   | 410                                        |
| Corn-----                      | 7,300 metric tons----   | 450                                        |
| Rice-----                      | 270 metric tons----     | 40                                         |
| Cottonseed/soybean<br>oil----- | 750 metric tons----     | 300                                        |
| Linseed oil-----               | 400 metric tons----     | 130                                        |
| Tobacco-----                   | 200,000 lbs-----        | 160                                        |
| Fruit-----                     | (no quantity specified) | 200                                        |
| Cotton-----                    | 500 bales-----          | 75                                         |
| Ocean transportation--         | (estimated 50 per cent) | 320                                        |

Sales under this program will be made by private United States traders. It is expected that purchase authorizations will be issued in the near future.

## **Current Actions**

### **MULTILATERAL**

#### **Atomic Energy**

Statute of the International Atomic Energy Agency. Done at New York October 26, 1956.<sup>1</sup>

*Ratifications deposited:* Switzerland, April 5, 1957; Byelorussian Soviet Socialist Republic and Union of Soviet Socialist Republics, April 8, 1957.

#### **Aviation**

International air services transit agreement. Signed at Chicago December 7, 1944. Entered into force for the United States February 8, 1945. 59 Stat. 1693.

*Acceptance deposited:* Finland, April 9, 1957.

#### **Copyright**

Universal copyright convention. Done at Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.

*Ratification deposited:* Austria, April 2, 1957.

Protocol 1 concerning application of the convention to the works of stateless persons and refugees. Done at Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.

*Ratification deposited:* Austria, April 2, 1957.

<sup>1</sup> Not in force.

Protocol 2 concerning application of the convention to the works of certain international organizations. Done at Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.

*Ratification deposited:* Austria, April 2, 1957.

Protocol 3 concerning the effective date of instruments of ratification or acceptance of or accession to the convention. Done at Geneva September 6, 1952. Entered into force August 19, 1954. TIAS 3324.

*Ratification deposited:* Austria, April 2, 1957.

### Narcotic Drugs

Protocol for limiting and regulating the cultivation of the poppy plant, the production of, international and wholesale trade in, and use of opium. Dated at New York June 23, 1953.<sup>1</sup>

*Ratification deposited:* Cambodia, March 22, 1957.

### Postal Services

Convention of the Postal Union of the Americas and Spain, final protocol, and regulations of execution. Signed at Bogotá November 9, 1955. Entered into force March 1, 1956. TIAS 3653.

*Ratification deposited:* Argentina, February 15, 1957.

Agreement relative to money orders and final protocol of the Postal Union of the Americas and Spain. Signed at Bogotá November 9, 1955. Entered into force March 1, 1956. TIAS 3655.

*Ratification deposited:* Argentina, February 15, 1957.

Agreement relative to parcel post, final protocol, and regulations of execution of the Postal Union of the Americas and Spain. Signed at Bogotá November 9, 1955. Entered into force March 1, 1956. TIAS 3654.

*Ratification deposited:* Argentina, February 15, 1957.

### Trade and Commerce

Sixth protocol of supplementary concessions to the General Agreement on Tariffs and Trade. Done at Geneva May 23, 1956. Entered into force June 30, 1956 (TIAS 3591).

*Schedule of concessions enters into force:* Federal Republic of Germany, May 4, 1957.

### Whaling

Protocol amending the international whaling convention of 1946 (TIAS 1849). Done in Washington November 19, 1956.<sup>1</sup>

*Ratification deposited:* Australia, April 8, 1957.

## BILATERAL

### Chile

Agreement for the establishment and operation of raw-insonde observation stations at Antofagasta, Quintero and Puerto Montt, Chile. Effected by exchange of notes at Santiago March 1, 1957.

*Entered into force:* March 25, 1957 (date of signature of arrangement embodying the technical details).

### Iceland

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454, 455; 69 Stat. 44, 721). Signed at Washington April 11, 1957. Entered into force April 11, 1957.

### Italy

Agreement amending the agricultural commodities agreement of October 30, 1956, as amended (TIAS 3702, 3760,

<sup>1</sup> Not in force.

3762, and 3788). Effected by exchange of notes at Rome April 2, 1957. Entered into force April 2, 1957.

### Netherlands

Air Transport Agreement. Signed at Washington April 3, 1957. Provisionally operative April 3, 1957. Enters into force definitively on date of receipt by the United States of notification of constitutional approval by the Netherlands.

### Saudi Arabia

Agreement extending United States rights at the Dhahran Airfield and providing for related military and economic matters. Effected by exchange of notes at Washington April 2, 1957. Entered into force April 2, 1957.

### Spain

Agreement amending the agricultural commodities agreement of October 23, 1956, as amended (TIAS 3685 and 3770). Effected by exchange of notes at Madrid March 26, 1957. Entered into force March 26, 1957.

## Check List of Department of State Press Releases: April 8-14

Releases may be obtained from the News Division, Department of State, Washington 25, D.C.

| No.  | Date | Subject                                                                                          |
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| 194  | 4/8  | Dulles: testimony on mutual security legislation.                                                |
| 195  | 4/8  | Exchange of notes with Saudi Arabia.                                                             |
| 196  | 4/8  | Texts of U.S. and Saudi Arabian notes.                                                           |
| †197 | 4/9  | Joint communique on U.S.-Iraqi talks.                                                            |
| *198 | 4/9  | Miss Willis nominated Ambassador to Norway (biographic details).                                 |
| *199 | 4/9  | McLeod nominated Ambassador to Ireland (biographic details).                                     |
| *200 | 4/9  | O'Connor designated Administrator, Bureau of Security and Consular Affairs (biographic details). |
| 201  | 4/10 | U.S.-Canadian notes on Mr. Norman.                                                               |
| †202 | 4/11 | Rubottom: "Economic Interdependence in the Americas."                                            |
| 203  | 4/11 | Wilcox: "The United Nations and Responsibilities for the Future."                                |
| 204  | 4/11 | Surplus commodity agreement with Iceland signed.                                                 |
| *205 | 4/11 | Educational exchange.                                                                            |
| 206  | 4/11 | WHO invited to convene 11th World Health Assembly in U.S.                                        |
| †207 | 4/12 | Joint communique on U.S.-Saudi Arabian talks.                                                    |
| †208 | 4/12 | Illinois student wins NATO scholarship.                                                          |
| 209  | 4/12 | Robertson: "Report to the Founder on Foreign Affairs."                                           |
| †210 | 4/12 | Hill: "The Two Halves of Progress."                                                              |
| *211 | 4/12 | Taylor nominated Ambassador to Switzerland (biographic details).                                 |
| †212 | 4/13 | U.S. policy for assisting Hungarian refugees.                                                    |

\* Not printed.

† Held for a later issue of the BULLETIN.



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THE DEPARTMENT OF STATE

# Bulletin

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*The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.*

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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 19, 1955).

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# Dynamic Peace

*Address by Secretary Dulles<sup>1</sup>*

I recall pleasurable your annual luncheon of a year ago. It is a compliment that you have asked me to come again. Since this is my first speech of the second Eisenhower term, it may be appropriate to set forth the basic concepts which guide our foreign policy. It is important that both friend and foe should know the principles by which we chart our course.

At the close of World War II, the statesmen of the world met at San Francisco to plan a better future for a war-scourged world. They wrote the United Nations Charter, and in its first article they laid down three basic and interlocking principles. There must be *peace*; there must be *justice*; and there must be *liberty* for nations and for persons.

Peace, justice, and liberty—these same three concepts underlie the foreign policies of the United States. Our task is to realize these concepts in a world of rapid and accelerating change.

Two decades ago I wrote that world peace depended, not on preserving the *status quo*, but on finding ways of peaceful change. Today, this requirement is more than ever imperative. Our foreign policy accepts change as the law of life. We seek to assure that change will be benign, and not destructive, so that it will promote not merely survival but freedom and well-being.

## Deterrents to Aggressive War

A first requirement is that the door be firmly closed to change by violent aggression.

Of all the tasks of government the most basic is to protect its citizens against violence. Such pro-

tection can only be effective if provided by a collective effort. So in every civilized community the members contribute toward the maintenance of a police force as an arm of law and order.

Only the society of nations has failed to apply this rudimentary principle of civilized life.

An effort was made through the United Nations to create an armed force for use by the Security Council to maintain international order. But the Soviet Union vetoed that.

However, the member nations still had the possibility of cooperating against aggression. For the charter, with foresight, had proclaimed that all nations had the inherent right of collective self-defense.

The free nations have largely exercised that right. The United States has made collective defense treaties with 42 other nations. And the area of common defense may now be enlarged pursuant to the recent Middle East resolution.

This collective security system is subject to assaults from without and to infirmities within.

The Soviet rulers understandably prefer that the free nations should be weak and divided, as when the men in the Kremlin stole, one by one, the independence of a dozen nations. So, at each enlargement of the area of collective defense, the Soviet rulers pour out abuse against so-called "militaristic groupings." And as the free nations move to strengthen their common defense, the Soviet rulers emit threats. But we can, I think, be confident that such Soviet assaults will not disintegrate the free world. Collective measures are here to stay.

The greater danger comes from internal hazards. A collective defense system, in which each member nation is completely sovereign, requires a high degree of voluntary cooperation and agreement.

<sup>1</sup>Made before the annual luncheon of the Associated Press at New York, N. Y., on Apr. 22 (press release 229 dated Apr. 21) and broadcast to the Nation by radio and television.

Happily, we have that. For example, it is agreed that the primary task is to deter war. Modern weapons have such vast destructive power that there could be no real "victor" were general war ever to occur.

It is also agreed that the principal deterrent to aggressive war is mobile retaliatory power. This retaliatory power must be vast in terms of its potential. But the extent to which it would be used would, of course, depend on circumstances. The essential is that a would-be aggressor should realize that he cannot make armed aggression a paying proposition.

It is also agreed that it would be imprudent to risk everything on one single aspect of military power. There must be land, sea, and air forces for local action and for a defense which will give mobile striking power the chance to do its work.

Thus the general design of common defense is widely agreed. Of course, its detailed application presents recurrent difficulties. Also, the sharing of the burden raises problems.

Modern weapons are extremely expensive. Immense sums must be spent in research and development and in making weapons which may become outmoded almost before they are in production. The United States is the only free-world country able to sustain the cost of developing a capacity for retaliation adequate to deter a potential aggressor who himself has great and growing aggressive power. In addition, the United States supplies military equipment to others and, in some cases, helps to stabilize the economies of allies which cannot otherwise play their proper part in the scheme of common defense.

The President faces no more difficult task than the crucial one of deciding, in this defense field, how much to spend, where to spend it, and how to bring the cost into a budget which provides for other needed tasks and does the whole without monetary inflation or excessive taxation.

There are some who, in a zeal to economize, would slash that part of our budget which is often miscalled "foreign aid"—as though it did not aid us. That would not be economy but extravagance. If the forces and facilities which others provide were subtracted from the common defense, the United States defense budget would have to be expanded vastly from what it now is. That is the considered judgment of the President and his military advisers.

The free-world collective-defense arrangements are not ideal. There is nothing automatic about them, and they require a continuing conscious effort by many nations to cooperate and to forgo the petty selfishness and the extremes of nationalism which could poison the relationships. But the relationship is predominantly one of good will and trust. It marks a significant step in the long-overdue progress of international society from anarchy to order. To maintain and develop this progress is a basic principle of our foreign policy.

But we do not believe that the only way to security is through ever-mounting armaments. We consider that controls and reduction of arms are possible, desirable, and, in the last reckoning, indispensable. It is not essential that controls should encompass everything at once. In fact, progress is likely to come by steps carefully measured and carefully taken. Thus far it has not been possible to assure the inspection and other safeguards that would make it prudent for us to reduce our effective power. But we shall continue to seek that goal.

Armaments are nothing that we crave. Their possession is forced on us by the aggressive and devious designs of international communism. An arms race is costly, sterile, and dangerous. We shall not cease our striving to bring it to a dependable end.

### **The Blessings of Liberty**

Any police system is essentially negative. It is designed to repress violence and give a sense of security. But the sense of security is illusory unless, behind its shield, there is growth and development. Military collaboration to sustain peace will collapse unless we also collaborate to spread the blessings of liberty.

Trade, from the earliest days, has been one of the great up-builders of economic well-being. Therefore, this Government advocates trade policies which promote the interchange of goods to mutual advantage.

Also, the United States, as the most productive and prosperous nation, assists other nations which are at an early stage of self-development. It is sobering to recall that about two-thirds of all the people who resist Communist rule exist in a condition of stagnant poverty. Communism boasts that it could change all that and points to industrial developments wrought in Russia at a cruel,



but largely concealed, cost in terms of human slavery and human misery. The question is whether free but undeveloped countries can end stagnation for their people without paying such a dreadful price. Friendly nations expect that those who have abundantly found the blessings of liberty should help those who still await those blessings.

Of course, each country must itself make the principal effort to improve its lot. But others can provide an impetus and the margin between hope and despair—and perhaps between success and failure. They can do this by showing interest and concern, by giving technical guidance, and by providing capital for development. Much of this is done under private auspices, and we wish it could all be done that way. But sometimes the hazards are greater than private capital will assume. So our Government supplies some funds for economic development purposes.

The sharing of markets and of development capital is not a giveaway operation. It assures that the free world, of which we are part, will be a vigorous, hopeful community. That corresponds to our interests and to our ideals.

Our mutual security program can and should make our policies more clear and more stable. Two weeks ago I outlined proposals to this end before a special committee of the Senate.<sup>2</sup> With the help of the Congress, and with the support of the American people, our trade and economic development policies can serve mightily to demonstrate that the peace of free men is not the doomed peace of human stagnation but a peace of such vitality that it will endure.

#### **A Decade of Political Change**

Just as our policy concerns itself with economic development, so, too, our policy concerns itself with political change.

During the past decade, there have come into being, within the free world, 19 new nations with 700 million people. In addition, many nations whose sovereignty was incomplete have had that sovereignty fully completed. Within this brief span nearly one-third of the entire human race has had this exciting, and sometimes intoxicating, experience of gaining full independence.

The United States believes that all peoples

should have self-government and independence if they desire it and show the capacity to sustain it. We rejoice that there is progress toward this goal.

But liberty requires more than the mere breaking of old political ties that have become unwelcome. Those patriots who won for us our independence knew and proclaimed that our free institutions could be sustained and our independence made durable only if our Nation accepted the disciplines which religion and education enjoin. That is indispensable to assure responsible leadership able to guide a young nation through the dangers which beset it.

Today, nations born to independence are born into a world one part of which is ruled by despotism and the other part of which stays free by accepting the concept of interdependence. There is no safe middle ground.

International communism is on the prowl to capture those nations whose leaders feel that newly acquired sovereign rights have to be displayed by flouting other independent nations. That kind of sovereignty is suicidal sovereignty.

The United States stands as the faithful and vigorous champion of the principles of our Declaration of Independence. And we want the new independence of others to be something better than a brief twilight preceding the blackout of Communist despotism.

#### **The Captive Nations**

Nowhere is the pressure for change greater than within the Soviet orbit. For there the most basic human aspirations are the most repressed.

A year ago Khrushchev boasted before the 20th Congress of the Soviet Communist Party that communism was on its way to triumph everywhere, on its merits, as a system of thought and government. But in October, how many Communists could be found in supposedly Communist Hungary? A few hundreds of secret policemen, hopelessly implicated in the crimes of the regime, and a handful of traitors willing to govern by grace of Soviet tanks.

Communism in practice has proved to be oppressive, reactionary, unimaginative. Its despotism, far from being revolutionary, is as old as history. Those subject to it, in vast majority, hate the system and yearn for a free society.

The question of how the United States should deal with this matter is not easily answered. Our

<sup>2</sup> BULLETIN of Apr. 29, 1957, p. 675.

history, however, offers us a guide. The United States came into being when much of the world was ruled by alien despots. That was a fact we hoped to change. We wanted our example to stimulate liberating forces throughout the world and create a climate in which despotism would shrink. In fact, we did just that.

I believe that that early conception can usefully guide us now.

Let us provide an example which demonstrates the blessings of liberty. Let us spread knowledge of that around the world. Let us see to it that the divided or captive nations know that they are not forgotten; that we shall never make a political settlement at their expense; and that a heartfelt welcome and new opportunity await them as they gain more freedom.

Let us also make apparent to the Soviet rulers our real purpose. We condemn and oppose their imperialism. We seek the liberation of the captive nations. We seek this, however, not in order to encircle Russia with hostile forces but because peace is in jeopardy and freedom a word of mockery until the divided nations are reunited and the captive nations are set free.

We revere and honor those who as martyrs gave their blood for freedom. But we do not ourselves incite violent revolt. Rather we encourage an evolution to freedom.

The Voice of America, our information programs, and cultural exchanges spread throughout the world knowledge of what freedom is and does. When Hungary was invaded and freedom crushed, we sponsored a United Nations condemnation of the Soviet Union. And when some steps are made toward independence, as recently in the case of Poland, we show a readiness to respond with friendly acts.

Events of the past year indicate that the pressures of liberty are rising.

Within the Soviet Union there is increasing demand for greater personal security, for greater intellectual freedom, and for greater enjoyment of the fruits of labor.

International communism has become beset with doctrinal difficulties. And the cruel performance of Soviet communism in Hungary led many to desert Communist parties throughout the world.

The satellite countries no longer provide a submissive source of added Soviet strength. Indeed, Soviet strength, both military and economic, has

now to be expended to repress those who openly show their revulsion against Soviet rule.

And the Soviet Government pays a heavy price in terms of moral isolation.

Soviet rulers are supposed to be hardheaded. For how long, we may ask, will they expend their resources in combating historic forces for national unity and freedom which are bound ultimately to prevail?

### **Principles of the U.N. Charter**

Let me speak now of the United Nations. Its charter couples peace with justice and provides the most significant body of international law yet known.

The United States has agreed to those principles and seeks to conform to them; and we expect other signatories to do the same. On occasions we invoke the processes of the United Nations to help to make effective the principles embodied in the charter. We are not ashamed, as a powerful nation, to pay the same decent respect for the opinions of mankind that we thought proper when, young and weak, we sought our independence.

That is no abdication of foreign policy. It is the exercise of foreign policy and its exercise in the way which represents the best hope for humanity.

Our dedication to the principles of the United Nations Charter was severely tested by the recent Middle East crisis. We were then faced with a distressing and unprecedented conflict of loyalties. Historic ties would have led us to acquiesce in the forcible action that was begun. But this would have involved disloyalty to the United Nations undertaking that all members renounce the use of force except in defense against armed attack. That same pledge is also embodied in all our treaties of alliance. We decided to be loyal to that commitment.

This was a hard decision, although to those directly affected it was not an unexpected decision. It was not, I suppose, a popular decision. Yet it was imperative if the world was not to go as it went when the League Covenant was disregarded.

But, as we have seen, the charter prescribes not merely peaceful settlement but settlement in conformity with justice and international law.

We must, and do, seek also to advance that goal. For example, we are now striving to bring about conditions in the Middle East better than those



provocative and dangerous conditions out of which the recent violence was born.

This cannot be done quickly or all at once. Where emotions run high and a sense of grievance is deep, those most directly involved are more eager to gain partisans for their cause than to heed impartial counsel.

Wherever such situations occur, they are always worsened by Soviet intrigue. The Kremlin likes troubled waters in which to fish.

We know, in domestic affairs, that it is hard to apply just solutions when racial or class passions run high. The task is equally hard in international affairs, and sometimes war seems to offer a shortcut to the desired end. But that seeming is an illusion. The only durable solution is one which comes by patiently, resolutely, and resourcefully seeking justice and the rule of law. That, at least, is the faith and the dedication of your Government.

### **The Task of Waging Peace**

I have tried to describe principles which guide United States foreign policy. But while guiding principles are essential, they are not enough. They must be reinforced by daily action as, throughout the world, our views are sought and our influence is made felt.

This is the task sometimes called waging peace. It is a hard task. It is seldom dramatic. The many who take part in it may never be known as heroes. Yet they make efforts, and in some cases sacrifices, like those required in war to win a war. By so doing, they spare us the infinitely greater sacrifice of war itself.

Surely the stakes justify that effort. As I am briefed on the capacity of modern weapons for destruction, I recognize the impossibility of grasping the full, and indeed awful, significance of the words and figures used. Yet we would be reckless not to recognize that this calamity is a possibility. Indeed history suggests that a conflict as basic as that dividing the world of freedom and the world of international communism ultimately erupts in war.

That suggestion we reject. But to reject in terms of words or of hopes is not enough. We must also exert ourselves to the full to prevent it. To this task, the American people must unswervingly dedicate their hearts and minds throughout the years ahead.

That is not too much to expect. Americans are a people of faith. They have always had a sense of mission and willingness to sacrifice to achieve great goals. Surely, our Nation did not reach a new peak of power and responsibility merely to partake of the greatest, and perhaps the last, of all human disasters.

If only we are faithful to our past, we shall not have to fear our future. The cause of peace, justice, and liberty need not fail and must not fail.

## **Letters of Credence**

### *Switzerland*

The newly appointed Ambassador of Switzerland, Henry de Torrenté, presented his credentials to President Eisenhower on April 17. For the texts of the Ambassador's remarks and the President's reply, see Department of State press release 216.

## **Visit of Chancellor Adenauer**

The Department of State announced on April 19 (press release 223) that Chancellor Konrad Adenauer of the Federal Republic of Germany is expected to arrive in New York on May 24. He will come to Washington on May 27, at which time he will be joined by Foreign Minister Heinrich von Brentano. The Chancellor plans to depart for Germany on May 29.

During his stay in Washington, the Chancellor is expected to have discussions with the President, the Secretary of State, and other officials of the Government.

## **U.S. Requests Departure of Soviet Embassy Employee**

Press release 218 dated April 17

### **Department Announcement**

The Department of State announced on April 17 that it had requested the departure of Gennadi F. Mashkantsev, an employee of the Soviet Embassy. Sergei R. Striganov, Counselor of the Soviet Embassy in the United States, was informed that information available to the United

States Government indicated that Mashkantsev had engaged in highly improper activities directed toward inducing the return to the Soviet Union of persons who have sought asylum in the United States.

#### **Text of U.S. Note<sup>1</sup>**

The Department of State informs the Embassy of the Union of Soviet Socialist Republics that the Government of the United States has ascertained that Gennadi F. Mashkantsev, an employee of the Embassy of the Union of Soviet Socialist Republics, has engaged in highly improper activities.

Mashkantsev's continued presence in the United States is no longer considered acceptable and the Embassy is requested to arrange for his immediate departure.

### **NATO Scholarship Awarded to American Student**

The Department of State announced on April 12 (press release 208) that it has been informed that Carl Fredric Salans of Chicago Heights, Ill., is among the winners of the scholarships awarded annually by the North Atlantic Treaty Organization.

Mr. Salans, who is now working toward a doctorate degree in jurisprudence at the University of Chicago, will study at Cambridge University during the 1957-58 academic year. He will continue his studies in international law with special emphasis on the conflict of laws where different legal systems are involved and the status of international organizations under international law.

The objective of the NATO fellowship and scholarship program is "to encourage the study and research of such historical, political, constitutional, legal, social, cultural, linguistic, economic, scientific, and strategic problems as reveal the common traditions and historical experience of the North Atlantic area considered as a Community, and give insight into its present needs and future development."

Candidates for the scholarships were selected by a committee under the chairmanship of Ambassa-

dor L. D. Wilgress, Permanent Representative of Canada to the North Atlantic Council. Others serving on the committee were James C. Dunn, former U. S. Ambassador to Italy; Professor Robert Majolin of the University of Nancy, former Secretary-General of the Organization for European Economic Cooperation; Alberto Tarchiani, former Italian Ambassador to the United States; and H. U. Willink, Master of Magdalene College, Cambridge University, and former vice chancellor of Cambridge University.

The NATO fellowship and scholarship program, now in its second year, is carried out under article 2 of the North Atlantic Treaty, which states in part: "The Parties will contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles upon which these institutions are founded, and by promoting conditions of stability and well-being." The program was furthered by the Report of the Committee of Three on Nonmilitary Cooperation in NATO, approved last December, which asked the member governments to broaden their support of these activities.<sup>1</sup>

The announcement of the winners of this year's awards was made on April 4, the eighth anniversary of the signing of the treaty.

### **United States Assistance to Hungarian Refugees**

#### **DEPARTMENT ANNOUNCEMENT OF APRIL 13**

Press release 212 dated April 13

The U.S. Government is continuing to assist the people of Hungary who fled from Communist oppression in their homeland and under this policy will continue to bring limited numbers of refugees into the country within the next few months.

The number of refugees to be admitted to the United States will, of course, be on a diminishing basis in the future because of the lessening of the emergency.

Those to be brought to the United States both from Austria and countries of second asylum will

<sup>1</sup> Handed to the Soviet Counselor on Apr. 17.

<sup>1</sup> BULLETIN of Jan. 7, 1957, p. 18.



be refugees selected on the basis of hardship cases such as those involving broken families and special-interest cases such as scientists, engineers, etc., whose skills will enable them to be integrated readily into the American economy.

The United States has already accepted more than 31,000 Hungarian refugees, which is nearly 20 percent of all who escaped the Communist oppression in their homeland. It has also assisted in resettling more than 100,000 of them in other countries and intends to continue this assistance.

Austria has indicated it can integrate between 20,000 and 30,000 into its own economy, and the U. S. Government hopes that, with the acceptance of additional refugees by the other countries which have been assisting in the emergency, all of the refugees will have been provided for within the near future.

The program as a whole reflects the recognition by the American people of the plight and the heroism of these oppressed peoples and their determination, along with the other peoples of the free world, to assist these refugees in finding new homes where they may live in freedom. The role of the United States in giving leadership to the compassionate acceptance and resettlement of these heroic people has been a gratifying one to every citizen.

#### DEPARTMENT ANNOUNCEMENT OF APRIL 16

Press release 214 dated April 16

Assistance to Hungarian escapees by the people of the United States and their Government reaches beyond the welcoming to this country of more than 31,000 men, women, and children since the October 1956 revolt against Communist tyranny.

Commenting on the April 13 announcement that the United States will continue its welcome to escapees, Robert S. McCollum, Deputy Administrator for Refugee Programs and head of the Office of Refugee and Migration Affairs, on April 16 highlighted this country's dollars-and-cents aid to benefit escapees. He said:

In addition to receiving in this country more than 31,000 Hungarian escapees, this Government expended large sums for emergency care of escapees in Austria during the mass exodus from Hungary and has subsequently directly and indirectly helped to resettle thousands of these

people in countries of the free world other than the United States.

Involved in this gigantic undertaking has been the task of making available to escapees transportation, housing, jobs, and educational opportunities, and reorientation guidance and counseling for life in the free world.

Total sums so far allocated by the Government for all types of assistance to Hungarian escapees have been approximately \$30 million. In addition to this the American people have generously contributed more than \$18 million through voluntary welfare agencies and private charitable organizations.

Some of the assistance given by the United States Government has been in the form of grants to the several international organizations concerned with the Hungarian emergency, while other types of assistance have been carried out directly by governmental programs.

These assistance channels were cited:

—The United States Escapee Program, which expended several millions to finance emergency care and maintenance and aid in preparing Hungarians to resettle in countries other than the United States.

—The United Nations High Commissioner for Refugees, to whose office the United States provided \$5 million, much of which financed emergency assistance programs in Austria.

—The Intergovernmental Committee for European Migration (ICEM), to which the United States makes regular contributions and to which it also made emergency contributions to help in arrangements for escapees' transportation from Austria to countries other than the United States.<sup>1</sup>

—Another program of assistance is the recent \$3 million contribution of the United States to a plan for moving 10,000 Hungarian escapees now in Yugoslavia and 5,000 from countries of second asylum to overseas countries other than the United States. The project is being carried out by ICEM and the United Nations High Commissioner for Refugees.

Mr. McCollum added that an objective of the United States, in its efforts to help relieve the congestion of escapees in Austria during early months after the revolt, was to help insure the Austrian economy against the impact of thousands of unexpected, needy visitors. Commodity reserves from the United States played a prominent part in this effort to sustain the economy, at the same time providing useful foodstuffs.

<sup>1</sup> For an article on the ICEM, see p. 743.

## Immigration Potentials Under the Basic Immigration Law

by *Eliot B. Coulter*

*Assistant Director, Visa Office*<sup>1</sup>

If there were no restrictions of any kind, either on departures from foreign countries or on entries into the United States, we would have a great stream of immigration into this country. The greatest sources of such immigration would be the countries of population pressures in Europe, the West Indies, and the Far East, where overpopulation in relation to available work has led to unemployment or to partial employment to spread work opportunities.

Persons who wish to migrate are motivated primarily by a desire to seek a new home in lands offering an opportunity for full-time work and a higher standard of living. Others desire to join relatives or friends who have the same background. Some respond to an alluring picture of American life depicted in American movies and glowing magazine advertisements. Still others who are dissatisfied with political and other controls seek the American atmosphere of liberty and respect for the individual. These are reasons for migrating.

There are other persons who postpone or cancel plans to leave when improved economic conditions at home offer greater rewards and full-time work. Others prefer the culture and atmosphere to which they have become accustomed and which they are loathe to leave. This is particularly true of older persons who are not prepared to face uncertainties of the future in new surroundings.

The effect of improved economic conditions at home is illustrated by the quota situation in Germany. When consular offices in Germany were authorized to register prospective immigrants on the waiting list, over 200,000 persons registered within a few days. Within the past year, the German quota became current, indicating that, when it came to the point of applying for visas, many persons decided to remain in Germany, where the improved economic conditions provided opportunities for full-time work.

It frequently happens, also, that persons regis-

ter on a waiting list in order to keep open a possibility of migrating if need should arise. This was particularly true before World War II, when many persons saw trouble ahead.

The point of these comments is that figures of registered demand or estimates of potential immigrants do not always give a true picture of the number of persons who will apply for visas when offered an opportunity to do so. Nevertheless, with all due allowance for a contradiction in the estimates, it is reasonable to believe that, if peoples were freely able to migrate at will, there would be a potential volume of immigrants, possibly running to several millions.

It is not possible to give any very realistic estimates. Several years ago it was said that over 12 million persons would emigrate from Italy alone if they could. Among other countries in Europe which have furnished large numbers of immigrants in the past are Czechoslovakia, Germany, Greece, Hungary, Poland, Rumania, Russia, and Yugoslavia. In the Western Hemisphere, Jamaica, other West Indian islands, and Mexico have a considerable volume of potential immigrants. In the Far East, China, Japan, and possibly other countries in the area would be sources of large numbers of immigrants.

On a practical basis, immigration potentials must, of course, be related to the provisions of the Nationality Act, which continues numerical restrictions first imposed by the Act of May 19, 1921. The present act exempts from quota restrictions various classes of persons, including spouses and unmarried minor children of United States citizens, and persons born in Canada and independent countries of the Western Hemisphere.

Coming down to figures, it may be of interest to note that the annual quotas for all countries total 154,657. During the fiscal year 1956, consuls issued 88.5 thousand quota visas. To this figure must be added 8 thousand numbers charged to that year's quotas under the provisions of the Displaced Persons Act of 1948 for mortgaging quotas for future years up to 50 percent of each year's quota. There must also be added one thousand quota numbers used during 1956 for adjustments of status of aliens in the United States from a temporary to a permanent classification. The total of the quota numbers used or charged to the year 1956 came to 97.5 thousand.

<sup>1</sup> Address made before the National Council on Naturalization and Citizenship at New York, N. Y., on Mar. 15.



The underissue of the quotas for fiscal 1956 amounted to 57 thousand numbers. This was accounted for by underissues of 42 thousand for Great Britain, 11 thousand for Ireland, 1,300 for Sweden, and 2,800 for various other countries with minimum quotas.

In addition to the quota issuances of 97.5 thousand during fiscal 1956, there were issued 162 thousand nonquota visas. This figure includes 30 thousand for Canada and 65 thousand for Mexico. In addition special nonquota visas issued under the provisions of the Refugee Relief Act amounted to 84 thousand.

The grand total of immigrants issued visas during the year, or previously issued visas charged to 1956, came to 332.5 thousand. During the post-war period from July 1, 1946, to June 30, 1956—10 years—the immigration came to 2,337,417.

Speaking of quotas mortgaged up to 50 percent for future years, it is of interest to note that 20 quotas were so mortgaged, 8 of them to the year 2000 or beyond, including Greece to 2018, Latvia to 2275, Poland to 2000, and Yugoslavia to 2015.

Now coming to estimates of demands, I have the following figures as of last November: The number of qualified applicants ready to be given visas as numbers become available, 9 thousand. I may explain here that applicants are not examined too long ahead of the expected issuance of visas. Unqualified demand comprising persons not yet examined includes: Austria 15 thousand, Germany 20 thousand, Greece 104 thousand, Italy 130 thousand, Jamaica 30 thousand, Netherlands 27 thousand, Poland 80 thousand, Portugal 25 thousand, Spain 12 thousand, and Yugoslavia 141 thousand.

The law provides that available quota numbers shall be used for qualified applicants within the first three preference classes before they may be used for other persons. These classes are (1) skilled workers or technicians; (2) parents of United States citizens; (3) spouses and unmarried minor children of alien permanent residents. It is only when these three classes do not use all of the quota that the surplus may be used, one-fourth for the fourth preference class, comprising the brothers and sisters and adult sons and daughters of United States citizens, and three-fourths for nonpreference applicants.

Under the quotas for many countries the demand for visas for preference relatives greatly exceeds the available supply for some years. This is true for second preference, parents of citizens under the quotas for Australia, China, Greece, Hungary, Jamaica, Japan, Philippines, Rumania, Spain, and Turkey. Third-preference spouses and children of resident aliens face a long wait if charged to the quotas of the countries mentioned and if charged to those for Israel, Italy, Lebanon, Palestine, and Yugoslavia. Fourth-preference brothers and sisters and sons and daughters of citizens chargeable to any of these quotas and additionally, to the quotas for Austria, countries in the West Indies, Lithuania, Portugal, and Syria face long waits of many years.

To sum up, we have a huge reservoir of potential immigrants to this country mainly from Europe, the West Indies and Mexico, and the Far East. Under our immigration laws the flow of immigrants is restricted by the quotas totaling 154,657, but these were underissued mainly for Great Britain, Ireland, and Sweden during 1956. With nonquota visas, the total for that year came to about one-third of a million, including the refugee-relief issuances, and during the past 10 years roughly two and a third million immigrants have come. Finally, under many quotas there is an indicated wait of at least several years for relatives of persons in the United States accorded preferences under the law.

The United States is still a great immigrant-receiving nation. With a quarter to a third of a million a year permitted to come for permanent residence with a right to work and enjoy all the benefits of American life and to assume on an equal basis the responsibilities inherent in a democracy, the United States presents a good record among the nations of the world. The President has recommended certain changes in our immigration laws, including an increase in the total of the quotas and a plan for the utilization of unused quota numbers.<sup>2</sup> Our nation is made up of immigrants who currently come to join immigrants who preceded them and the descendants of former immigrants.

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<sup>2</sup> BULLETIN of Feb. 18, 1957, p. 247.

## Ambassador Richards' Mission to Middle East

*Following is a Department announcement regarding an interim report on the mission to the Middle East of Ambassador James P. Richards, together with the texts of joint communiques issued after the Ambassador's visits to Lebanon, Libya, Turkey, Iran, Pakistan, Afghanistan, Iraq, and Saudi Arabia, and two press statements on the Baghdad Pact.*

### DEPARTMENT ANNOUNCEMENT

Press release 226 dated April 19

On April 18, 1957, the Department of State forwarded to the appropriate committees of Congress an interim report on the mission to the Middle East of Ambassador James P. Richards in implementation of Public Law 85-7, March 9, 1957.<sup>1</sup> The report covered the visits to the countries of Lebanon, Libya, Turkey, Iran, Pakistan, Afghanistan, Iraq, and Saudi Arabia.

The report briefly summarized the procedures followed by Ambassador Richards in each of the countries he has visited. The mission has been making clear that the basic purpose of the joint resolution on the Middle East is to help the states of the Middle East maintain their national independence against the encroachments of communism. In each case, on the basis of the explanations offered, the country concerned decided whether it wished to participate in the program. On the basis of such participation, Ambassador Richards, in consultation with other United States agencies in the country concerned, determined what kinds of assistance can help in implementing the desired cooperation. Upon leaving each

country, a joint communique has been issued covering the general area of agreement and setting forth a statement of common purpose.

The results of the mission to date are impressive. As the public joint communiques demonstrate, the governments covered by the interim report have declared their desire to associate themselves with the President's program for the Middle East. It is particularly gratifying that so many of the countries have made known their opposition to international communism.

In the case of four Baghdad Pact countries—Turkey, Iran, Pakistan, and Iraq—Ambassador Richards made two special commitments. One of these, conveyed initially to the Prime Minister of Turkey and later to the others, was a declaration that the United States, if formally invited to do so, is prepared to join the Military Committee of the Baghdad Pact. The other was the assurance given to each of the four countries that the United States is prepared to assist in the development of certain regional programs under consideration in the Economic Committee of the Baghdad Pact. At a Baghdad press conference Ambassador Richards announced that a sum of \$12,570,000 might be made available for this purpose through arrangements to cover the shares of the four countries in the overall projects.

The communique issued jointly with the Lebanese Government on March 16 pointed out that the two countries "consider that international communism is incompatible with national independence and constitutes a cause of permanent trouble for world peace and security." In the Libyan communique issued on March 20 the two Governments agreed "that the aggressive intentions of international communism offer the greatest present threat to national independence and the peace and security of the world community." The Turkish communique issued on March 22 stated: "The reactionary creed of international

<sup>1</sup> H. J. Res. 117, as amended; for text, see BULLETIN of Mar. 25, 1957, p. 481. For background on Ambassador Richards' mission, see *ibid.*, Mar. 25, 1957, p. 480, and Apr. 1, 1957, p. 526.



communism, it was noted, is set by its very nature in fundamental opposition to the aspirations of the Middle Eastern peoples for political independence and spiritual, cultural, and social freedom." The Iranian communique issued on March 27 noted that: "Should international communism succeed in its imperialistic aims, the security, freedom, integrity and independence of all peoples throughout the free world would face extinction." In the joint communique issued after the visit to Pakistan on March 31, Ambassador Richards, among other things, "re-emphasized that the purpose of the American Doctrine is to enable independent nations of the Middle East region to defend themselves against this direct and indirect threat by international communism." In the communique issued in Kabul after Ambassador Richards' visit to Afghanistan on April 2, the two Governments agreed that "they are determined to defend the political independence and territorial integrity of their respective nations and the right of each to choose its own form of government and to develop its own social and cultural life." The joint communique issued at Baghdad, Iraq, on April 8 stressed the "cooperation between the United States Government and countries of the Middle East to protect their national independence and integrity against the threat of international communism." In the communique issued in Saudi Arabia on April 11 the two Governments reaffirmed that they would "continue to oppose Communist activities, other forms of imperialism and any other dangers that threaten peace and stability in the area."

In addition to other matters of common interest, the communiqués have generally stressed the identity of interests between the United States and the countries of the area in maintaining and strengthening their independence.

Ambassador Richards' mission is now in Asmara, Eritrea. He will fly to Khartoum, capital of the Sudan, April 20 and will remain there until April 22, when he plans to return for a brief rest at Asmara. The remainder of his itinerary will be announced in the next few days.

The interim report was submitted to the following committees: Senate Foreign Relations, Senate Armed Services, Senate Appropriations, House Foreign Affairs, House Armed Services, House Appropriations.

May 6, 1957

## COMMUNIQUEs AND PRESS STATEMENTS

### Lebanon Joint Communique

BEIRUT, LEBANON

*March 16, 1957*

On his visit to Lebanon from 14 to 16 March 1957 as Special Assistant to President Eisenhower, Ambassador James P. Richards discussed with the Government of Lebanon President Eisenhower's proposals for the Middle East and the application of these proposals to Lebanon. This exchange of views has shown that the Governments of Lebanon and the United States share the following purposes:

1. In their relations with each other and with other nations, they are guided by the purposes and principles of the Charter of the United Nations and by respect for the sovereign equality, rights and legitimate interests of all nations. They are interested in the establishment of a cooperative relationship between themselves based on trust and confidence and on complete respect for each other's independence and sovereignty and without any interference in each other's internal affairs.

2. They are determined to defend the political independence and territorial integrity of their respective nations and the right of each to choose its own form of government and to develop in freedom its own social and cultural life.

3. They oppose any form of intervention or interference in the internal affairs of one state by another.

4. They consider that international communism is incompatible with national independence and constitutes a cause of permanent trouble for world peace and security.

5. They are dedicated to the social and economic progress of their peoples and to this end welcome opportunities to enter into mutually beneficial and cultural relationships, on the basis of complete respect for each other's sovereignty and independence.

6. They are of the opinion that both nations should work, through the United Nations and by all other peaceful means, toward just solutions of the various problems which create tension within the area. The Government of Lebanon considers that the proposals of the President of the United States are helpful in furthering the purposes set

forth above and has so informed Ambassador Richards, who has welcomed on behalf of the President of the United States this understanding of the broad identity of interest which exists between the two nations. The Government of Lebanon and the special Mission of Ambassador Richards have examined various activities that might be undertaken in accordance with the proposals of the President of the United States. They have decided in principle that projects in the fields of workers' housing, rural electrification, village water supply, irrigation, flood control, highway construction and airport development would best contribute to the needs of Lebanon. These will be in addition to other United States aid projects already in effect or currently planned. Ambassador Richards has agreed further in principle that the United States Government shall provide the Government of Lebanon certain equipment needed to strengthen the Lebanese armed forces. This is in addition to a recent grant of military equipment for the same purpose.

The two Governments will immediately initiate such legal and technical steps as may be required to give effect to these projects. The two states intend further to develop cooperation between themselves to serve their common interests.

#### **Libya Joint Communiqué**

TRIPOLI, LIBYA  
*March 20, 1957*

On his visit to Libya from March 17 to 20, the Special Assistant to President Eisenhower, Ambassador James P. Richards, has conferred with the Prime Minister and the Government of Libya. They have reached agreement on the meaning and purpose of President Eisenhower's proposals for the Middle East. This exchange of views revealed an identity of interests of the two nations and agreement to work together for the successful application of the Middle East plan, which provides: (1) if requested, defense against any armed aggression by forces of international communism which may be directed at any nation of the Middle East; (2) assistance in developing the security forces of countries of the Middle East which request help for the purpose of protecting their freedom and independence; (3) aid in strengthening the eco-

nomic systems of Middle East countries as the best defense against the threat of subversion. The Government of Libya and the special Mission of Ambassador Richards agreed that the aggressive intentions of international communism offer the greatest present threat to national independence and the peace and security of the world community. They also confirmed that it is the general cry of both countries to oppose any aggression from any source. The Government of Libya received with approval Ambassador Richards' assurance that the United States Middle East policy does not seek to establish spheres of influence or special positions of power in the Middle East but is devoted to strengthening the nations of the area so that they may be masters of their own destinies. In support of the principles enunciated above, it was agreed that additional economic aid to Libya is needed and will be forthcoming from the United States.

#### **Turkey Joint Communiqué**

ANKARA, TURKEY

*March 22, 1957*

His Excellency Prime Minister Adnan Menderes, and other Ministers of the Government of Turkey and Ambassador James P. Richards, Special Assistant to the President of the United States, have discussed the proposals of the President of the United States for strengthening the national independence and insuring the territorial integrity of states in the general area of the Middle East against international communism. Prime Minister Menderes has reiterated his Government's endorsement of these proposals.

During these discussions, Ambassador Richards recalled President Eisenhower's assertion that the firm and fixed purpose of the United States was to build peace with justice in a world where moral law prevails. The American Doctrine is an expression of this philosophy. It is based on recognition of the community of interest of the American people and the peoples of the Middle Eastern area in the security of the Middle East against international communism. The reactionary creed of international communism, it was noted, is set by its very nature in fundamental opposition to the aspirations of the Middle Eastern peoples for political independence and spiritual, cultural, and social freedom. Should international commu-



nism succeed in perverting or thwarting these aspirations in the Middle East, the security of all free peoples everywhere would be threatened.

The purpose of the American Doctrine, as stated by Ambassador Richards, is to assist independent nations in the general area of the Middle East to strengthen their ability to deal with the possibility of direct or indirect aggression by international communism. The two Governments have agreed to continue their cooperation in seeking to attain the above objectives.

The Government of Turkey learned with approval of United States efforts to assist in attaining these objectives by the following:

1. Establishing a deterrent to armed attack on any nation in the area by a country under the control of international communism. The President of the United States and the American Government and people have made clear their determination to use, if necessary, the armed forces of the United States in the event of such attack, but only upon the request of the state or states attacked.

2. Providing military assistance to strengthen internal security and legitimate self-defense against communist aggression.

3. Providing economic aid to promote the development of states in the area and also to prevent communism capitalizing on economic distress.

The Government of Turkey and the United States in accordance with their long-established policies continue to oppose any form of intervention or interference in the internal affairs of one state by another. They consider international communism a threat to national independence and to world peace and security and are determined to cooperate together in conformity with the Charter of the United Nations, in protective measures against this threat.

The Government of Turkey and the special Mission of Ambassador Richards have agreed on ways in which the development of economic and military aid to Turkey would advance the cooperative efforts of the two Governments to attain the aims and purposes of the Middle East proposals.

Ambassador Richards further states that the United States was prepared to offer financial assistance toward several joint projects of a regional nature which have been considered by the Economic Committee of the Baghdad Pact.

## Iran Joint Communique

TEHRAN, IRAN

March 27, 1957

Press release 176 dated March 28

His Excellency Prime Minister Hussein Ala and members of his Cabinet, and Ambassador James P. Richards, Special Representative of President Dwight D. Eisenhower, have met in common cause and interest to discuss the purposes and aims of the American Doctrine, proposed by President Eisenhower and decisively adopted by the American Congress.

During these discussions Prime Minister Ala reaffirmed his Government's endorsement of the purposes of the new American policy to strengthen the national independence and defend the territorial integrity of the countries in the general area of the Middle East against international communism and its imperialistic aims.

Ambassador Richards outlined the philosophy of President Eisenhower's policy, emphasizing that the foremost hope and purpose of the United States was, in company with its likeminded friends, to build peace with justice. He pointed out that the peoples of the Middle Eastern area and the people of America have a common interest in their joint efforts to preserve liberty and freedom through the maintenance of security against encroachments by international communism in the Middle East. International communism is incompatible with the aspirations of the people of the Middle East for political independence, national integrity, religious, cultural and social freedom. It is likewise incompatible with the freedom heritage of the American people. Should international communism succeed in its imperialistic aims, the security, freedom, integrity and independence of all peoples throughout the free world would face extinction.

The two Governments intend to continue their close cooperation to attain their mutual objectives.

Ambassador Richards explained that the President of the United States and the American Government and people have declared it their policy to use, if necessary and appropriate and if requested, the armed forces of the United States in support of any country in the area of the Middle East which is attacked by a country under the control of international communism.

He emphasized that the United States, in accordance with its historical traditions, has no territorial designs in the area, nor is it desirous of creating a so-called sphere of influence. Its desires are solely to assist the nations in the Middle Eastern area to achieve security and economic well-being. It is not seeking to fill a power vacuum. If one exists, the United States believes it should be filled by the increasing strength of the Middle Eastern nations themselves.

The Governments of Iran and the United States, in accordance with their long established policies, continue to oppose any form of intervention or interference in the internal affairs of one state by another. They are determined, in conformity with the United Nations Charter, to cooperate together in protective measures against the threat of aggression from any source.

Substantial American aid in the form of economic, technical and military assistance is continuing. Because of past experience and Iran's own increasing capabilities, it is anticipated that American aid will accelerate progress in Iran's economic development program and toward the Government's goal of a better standard of living, with full national security, for its people.

The representatives of the Government of Iran and the special Mission of Ambassador Richards have agreed on procedures in which the development of economic and military aid to Iran can serve best to achieve the aims and purposes of the Middle East proposals.

Ambassador Richards stated that the United States was prepared to offer assistance toward several joint regional projects which have been or may be approved by the Economic Committee of the Baghdad Pact. These would be in addition to the large economic aid programs already in progress in Iran. As further evidence of America's deep interest and belief in the defensive objectives of the countries of the Baghdad Pact, the United States has expressed a willingness to join the Military Committee of the Pact, if invited to do so.

Ambassador Richards agreed that the United States would provide increased financing for an already planned large military construction program to meet the needs of the imperial Iranian armed forces and would also provide certain additional items of military equipment to those forces.

## **Pakistan Joint Communique**

KARACHI, PAKISTAN

*March 31, 1957*

At the invitation of the Government of Pakistan, Ambassador James P. Richards, who as Special Representative of the President of the United States is touring the countries of the Middle East region, has visited Karachi to explain the American Doctrine as propounded by President Eisenhower on January 5, 1957.

The President, assisted by the Prime Minister, the Foreign Minister and the Finance Minister, has met Ambassador Richards, who has explained the purposes and aims of the American Doctrine. It was emphasized by Ambassador Richards that United States Middle East policy does not wish to establish any sphere of influence in the Middle East. It does not seek to fill any power vacuum in the region nor does it aim at securing military bases. United States policy is solely designed to strengthen the nations of the area so that they can maintain their independence and territorial integrity.

It was noted that communist imperialism, through overt aggression or internal subversion, constitutes a direct threat to the national aspirations of the peoples of the Middle East, which if allowed to develop would jeopardize the independence and freedom of peoples everywhere. Ambassador Richards re-emphasized that the purpose of the American Doctrine is to enable independent nations of the Middle East region to defend themselves against this direct and indirect threat by international communism.

In reiterating their endorsement of the American Doctrine, the Government of Pakistan have expressed their willingness to cooperate with the United States Government in securing the peace of the Middle East, to which Pakistan is already committed as a member of the Baghdad Pact. They were pleased to learn of the United States decision to join the Military Committee of the Baghdad Pact, if invited to do so. They have also welcomed American efforts to assist in the objective of securing the peace of the area not only by providing military and economic assistance to the countries of the Middle East region, but also by the employment of United States forces, whenever deemed necessary, and if requested by any state or states of the Middle East



region in the event of armed attack by forces of international communism.

The determination of both Governments to oppose aggression from any quarter was reaffirmed.

The Government of Pakistan have suggested to Ambassador Richards certain economic and military projects as worthy of aid under the American Doctrine, and he has agreed to provide assistance in both fields. In particular, the United States will lend funds to assist in soon starting construction of fertilizer factories. The Government of Pakistan are glad to learn that the United States are also prepared to finance several joint projects of a regional nature which are already under the consideration of the Economic Committee of the Baghdad Pact.

### **Afghanistan Joint Communiqué**

KABUL, AFGHANISTAN

*April 2, 1957*

Press release 193 dated April 5

At the invitation of the Royal Afghan Government, Ambassador James P. Richards, Special Representative of President Eisenhower, has paid a three-day visit to Afghanistan. Ambassador Richards and companions arrived in Kabul in accordance with their program of visit to the Middle East on the eleventh of Hamal, 1376, corresponding to the thirty-first of March, 1957 and held meetings with Sardar Mohammed Saoud, the Prime Minister of Afghanistan.

The meetings and conversations took place in an atmosphere of cordiality in accord with the close and friendly relations existing between Afghanistan and the United States of America.

In the course of these meetings Ambassador Richards explained the purpose of the visit to Afghanistan and other Middle Eastern countries. He outlined the purposes and principles of the Middle Eastern policy recently announced by the President of the United States. He explained the aims of the United States Government's assistance and cooperation in the development of Middle East countries for the preservation of their full independence and sovereignty and for the prevention of aggression from any source, and the maintenance of peace and security in the area. Ambassador Richards emphasized that the United States, in accordance with her historical tradi-

tions, does not in any way have any territorial designs in the area. He stated that the United States aim was to see that the countries of the Middle East achieve economic development and well-being for the maintenance of peace and security.

The Prime Minister explained Afghanistan's traditional independent policy of neutrality and the intention of the Government and the people of Afghanistan to maintain this policy for the purpose of preserving good relations with all friendly states and all the peoples and nations of the world, and to develop the economic, social and cultural aspects of the country under the aegis of world peace and security. The Prime Minister reiterated the unswerving determination of the Government and the people of Afghanistan to maintain the national independence which emanates from the immortal will and the historical struggles of the Afghan nation.

The Prime Minister of Afghanistan welcomed the determination of the United States Government to assist and to cooperate with the countries of the Middle East for the purpose of strengthening their economies and raising the standard of living of the peoples of the area for the preservation of their national independence. The Prime Minister explained and reiterated Afghanistan's natural interest in the amelioration of conditions and the maintenance of peace and security in the Middle East.

The Prime Minister and Ambassador Richards concluded that the Governments of Afghanistan and the United States agree that:

1. In their relations with one another and with other nations, they are guided by the purposes and principles of the Charter of the United Nations and by respect for the sovereign equality of all nations.

2. They are determined to defend the political independence and territorial integrity of their respective nations and the right of each to choose its own form of government and to develop its own social and cultural life.

3. They are dedicated to the social and economic progress of their peoples and to this end welcome opportunities to enter into mutually beneficial economic and cultural relationships which will always reflect their respect for the sovereign equality of all nations and opposition to foreign intervention or interference in internal affairs.

4. They harbour no aggressive intentions against any nation and will always seek to live in peace with their neighbors.

5. They recognize that promotion of the economic, social and cultural aspects of the countries of the Middle East and the elimination of the mutual differences between these countries is one of the most effective means of maintaining peace and security in the area.

6. The existing economic and cultural cooperation between Afghanistan and the United States shall be continued without any political conditions or restrictions as heretofore. It was agreed that the economic and cultural relations between the two countries have proved to be mutually advantageous. Ambassador Richards discussed certain additional selected economic projects beneficial to Afghanistan, in which the United States is prepared to be of assistance.

#### **Iraq Joint Communiqué**

BAGHDAD, IRAQ  
*April 8, 1957*

Press release 197 dated April 9

Ambassador Richards, Special Representative of the President of the United States, who came to Baghdad at the invitation of the Government of Iraq, has met with the Prime Minister of Iraq and members of the Iraqi Government. They have had fruitful talks during the past two days.

They discussed the proposals enunciated by the President of the United States for cooperation between the United States Government and countries of the Middle East to protect their national independence and integrity against the threat of international communism.

The discussions have confirmed the identity of views between the United States and the Government of Iraq and the nature of this threat and the necessity to cooperate to defend themselves against it. They also confirmed the agreement of the two Governments on their opposition to aggression or subversion from any source.

Ambassador Richards noted with satisfaction the success of the efforts the Iraqi Government is making to develop the resources of the country to improve the welfare of the Iraqi people, which also contributes to their ability to preserve their independence and freedom.

The Prime Minister and Ambassador Richards reaffirmed the dedication of their Governments to

the principles of the United Nations for the maintenance of international peace and security.

The Prime Minister welcomed the decision of the United States Government to participate in the Military Committee of the Baghdad Pact if invited to do so.

Various activities for the furtherance of the proposals of the President of the United States were discussed.

Ambassador Richards explained that the United States was seeking no bases and did not desire to establish any sphere of influence in this area, wishing only to help the nations of the Middle East to maintain their own independence. He agreed that certain additional military assistance should be provided Iraq. He also agreed that the United States Government would furnish assistance in support of the internal security forces of Iraq and, within the framework of the Baghdad Pact, to develop Iraq's telecommunications network. Some assistance will also be given toward the development of Iraq's domestic railroad requirements.

#### **Press Statements on Baghdad Pact**

BAGHDAD, IRAQ  
*April 8, 1957*

##### *Statement by Ambassador Richards*

Having completed my visits to the Baghdad Pact capitals of Turkey, Iran, Pakistan and Iraq and having had the opportunity today to consult with Mr. Awni Khalidy, Secretary General of the Baghdad Pact, I am happy to make the following announcement:

The United States Government is prepared in principle to initiate the necessary procedural and legal steps to make available through the Secretary General of the Baghdad Pact up to \$1 million to cover the cost of certain railroad, highway and telecommunications surveys as recommended by the economic experts of the Baghdad Pact Economic Committee.

Further the United States is prepared in principle to initiate the necessary procedural and legal steps to furnish \$11,500,000<sup>2</sup> of grant assistance to the four member nations of the Baghdad Pact cited above to cover the cost of certain consultant and engineering studies and equipment in support of the foregoing projects.

<sup>2</sup> The precise figure is \$11,570,000.



I am sure the Baghdad Pact Governments will approve as early as possible the recommendations of the economic experts of the Baghdad Pact in order that implementation of the projects may be initiated with minimum delay.

Implementation of the projects will follow the conclusion of bilateral agreements between the United States and each member Government concerned.

#### *Statement by Secretary General Khalid*

Mr. Khalid discussed with Ambassador Richards the progress of the Baghdad Pact and its plans for contributing to the integrated economic development of the countries of the Pact region. Ambassador Richards expressed to the Secretary General the strong support of the United States for the Baghdad Pact. He informed the Secretary General that in support of the economic program of the Baghdad Pact the United States was prepared to make available an amount up to \$12,500,000 for the advancement of certain Baghdad Pact regional projects in the telecommunications, railroad and highway development fields recommended for priority consideration by the economic experts of the Baghdad Pact Economic Committee at their recent meeting in Baghdad. Of this amount up to \$1 million would be devoted to economic surveys to be undertaken in the immediate future through arrangements to be made under the auspices of the Secretary General.

The Secretary General on behalf of the Baghdad Pact thanked Ambassador Richards for his expressions of United States support for the Baghdad Pact and in particular for his generous offer of United States financial assistance for Baghdad Pact economic projects. Ambassador Richards and the Secretary General agreed that the work should proceed with the utmost speed.

#### **Saudi Arabia Joint Communiqué**

RIYADH, SAUDI ARABIA  
*April 11, 1957*

Press release 207 dated April 12

His Majesty's Government welcomed His Excellency, Ambassador James P. Richards, Special Representative of the President of the United States to Riyadh on Tuesday, ninth of Ramadan, 1376, corresponding to the ninth of April, 1957.

His Excellency was received in audience by His Majesty King Saud of Saudi Arabia. He ex-

plained to His Majesty the purposes of the President's Middle East proposals, which are designed to strengthen the countries of the area and to enable them to maintain their independence and national security. He restated his Government's policy of opposing aggression from any source. He listened to His Majesty's views and ideas in this connection, and promised to convey these views to His Excellency, the President of the United States.

His Excellency also met with His Royal Highness the Prime Minister and with members of the Saudi Government. As the result of these discussions, both parties found themselves agreed on reaffirming the policy which has been set forth in the joint communique issued in Washington on the eighth of February, 1957, by His Majesty the King of Saudi Arabia and His Excellency the President of the United States.<sup>3</sup> They will continue to oppose Communist activities, other forms of imperialism and any other dangers that threaten peace and stability in the area.

#### **Agricultural Commodity Sales Agreement With Colombia**

Press release 217 dated April 17

The United States and Colombia on April 16 signed an agreement authorizing the sale to Colombia, through private U.S. traders, of wheat, wheat products, cotton, and edible oils. The export market value of this transaction, including part of the ocean transport, is \$20.4 million. These sales are being made under authority and provisions of the Agricultural Trade Development and Assistance Act of 1954, as amended, in conjunction with agreed dollar purchases. The agreement was signed at Bogotá by the Foreign Minister of Colombia, José Manuel Rivas Sacconi, and the U.S. Ambassador, Philip Bonsal.

This is the third agricultural sales agreement concluded with Colombia.<sup>4</sup> It provides that payment under the sales program shall be made partly in U.S. dollars and partly in Colombian currency. A substantial part of the Colombian pesos accru-

<sup>3</sup> For text, see BULLETIN of Feb. 25, 1957, p. 308.

<sup>4</sup> For Department announcements of previous agreements, see BULLETIN of Jan. 2, 1956, p. 27, and July 11, 1955, p. 85.

ing under this agreement will be earmarked for loans designed to contribute to Colombia's economic development and will be repayable in dollars or pesos under the terms of a supplemental

loan agreement which is to be concluded at a later date. The balance of the Colombian pesos accruing will be reserved for the use of the United States in Colombia.

## Economic Interdependence in the Americas

*by Roy R. Rubottom, Jr.*

*Acting Assistant Secretary for Inter-American Affairs*<sup>1</sup>

Thank you for inviting me to speak to you today concerning our relations with our sister American Republics. It is particularly fitting to do so now while the entire hemisphere is observing Pan American Week in celebration of the 67th anniversary of our inter-American system, embodied in the Organization of American States.

The objectives of Rotary are so much in line with the purposes of the Organization of American States as set forth definitively in the charter of Bogotá, which established its present form, that it is interesting to examine them together. Rotary's stated objectives are to encourage and foster the ideal of service as a basis of worthy enterprise—in particular, to promote the development of acquaintance as an opportunity to service; to uphold the ethical standards and dignity of business and professional life; to make the ideal of service a personal ideal for every Rotarian; and to further the advancement of international understanding, good will, and peace through a world fellowship of business and professional men united in the ideal of service.

Every one of these objectives upheld by Rotary is in harmony with the great inter-American purpose of solidarity as outlined in the charter of the Organization of American States. This purpose is for our American Republics to achieve an order of peace and justice; to promote their solidarity; to strengthen their cooperation one with

another; and to defend their sovereignty, territorial integrity, and independence.

May we not say that just as Rotary has made "service" its watchword, "cooperation" is a keyword of the Organization of American States; and, for each, international understanding and good will are both ends and means.

I would like, in my talk today, to sketch for you, in as much detail as the time will allow, the total picture of our economic relations with Latin America. It is a picture which, I am sure, you will find encouraging, particularly when viewed in relation to the worldwide economic scene.

First of all, let us realize that in Latin America we are dealing with the peoples of 20 other Republics who cherish the same ideals and principles which guide us in the conduct of our national affairs, whose historic development contains many striking similarities to our own, who look to the future with the same determination to build for their children a more secure and fruitful life. We are, in a true sense, a family of states, seeking common goals along a common path.

### Sources of Dollar Income

To understand better our economic relations with Latin America, and their importance to us, let me make a few comparisons. First, our trade with the 20 other American Republics is greater than that which we have with any other area of the world. Thirty percent of our imports come from Latin America, and we sell there one-quarter of our total exports. This two-way trade be-

<sup>1</sup> Address made before the Rotary Club of New York at New York, N. Y., on Apr. 11 (press release 202).



tween the United States and Latin America is now at a level of \$7.5 billion per annum.

In the field of private investment more than one-third of United States direct private investment abroad is located in Latin America, that is, over \$7 billion. This investment is increasing at the rate of over \$500 million per year.

Another part of the picture is tourism. An estimated \$330 million was spent by American tourists in Latin America in 1955. The \$260 million income which Mexico received from our tourists in 1955 was that country's largest single source of dollars.

The above items—trade, private investment, and tourism—are the principal nongovernment sources of dollar income received by Latin America from the United States. Let us now look briefly at the government sources. In the last year loans of the Export-Import Bank to Latin America were \$409 million. During the past 4 years the total was \$1.1 billion. It is the Export-Import Bank's policy that no economically sound developmental project in Latin America shall fail for lack of access to capital from other sources to cover its dollar needs. The only limits on such sound loans which the bank is willing to make in Latin America are the limit of the bank's capacity and the borrower's ability to repay in dollars.

Another similar source of funds is the International Bank for Reconstruction and Development, which, in the fiscal year 1956, made loans of \$75.1 million in Latin America. The International Finance Corporation, an affiliate of the IBRD, promises soon to be a valuable source of additional capital for private-enterprise ventures in Latin America.

A new source of capital, in this case local currencies rather than dollars, has been created under surplus agricultural commodity agreements which our Government has entered into with seven of the Latin American countries. Under the sales agreements for these surplus commodities the bulk of the local currency proceeds is reserved for loans to the local government and to private industry for use in economic development. In the past 2 years sales for the equivalent in local currencies of nearly \$300 million have been negotiated in Latin America.

A further, and important, component of our economic relations with Latin America is in the field of technical cooperation. During the past 4 years our contribution toward these cooperative

programs has been at an annual level of about \$28 million.

The final important source of income to Latin America from a U.S. Government source is non-military grant aid. Consistent with their proud tradition as proud peoples, the Latin American Republics prefer not to receive grant aid from us. As sources of dollars, they prefer trade, investment, sound loans, and technical cooperation. However, in the past several years temporary emergency conditions in three countries—Guatemala, Bolivia, and Haiti—have been such that grant aid became essential. In each country the objective was the prevention of hunger and the reestablishment of a self-reliant economy.

In the case of Guatemala, the emergency resulted from the bankrupt treasury and stagnant economy which the present government was faced with on ousting the Communist-dominated Arbenz government in 1954. With our cooperation the Guatemalan Government has since made great strides toward putting the country's economy on a stable and progressive basis. In Bolivia the problem has been to assist in terminating its dependence on a single export, tin, and the more effective development of the country's varied resources for the benefit of the entire population. Haiti's problems stemmed from the devastation wrought by Hurricane Hazel, particularly with respect to the country's principal export crop, coffee. In the past 3 years our grant aid to Latin America has been at the level of about \$40 million each year.

Having enumerated the principal sources of dollar income which Latin America receives from the United States, let me try to evaluate it in terms of our economic relations with the area.

It is in our national self-interest that Latin America have a continuing and adequate source of dollar income, not only to purchase our exports but to contribute to the development of sturdy self-reliant economies in each of the Republics. With the most rapidly increasing population of any comparable area it is essential that the economies of these nations develop rapidly, but rationally, if they are to meet the aspirations of future generations for a better standard of living. The present estimated population is increasing annually at the rate of approximately 2.5 percent. The other 20 American Republics now have an estimated population of 170 million. Looking into the future, based on its present rate of growth,

we can anticipate a Latin American population of 500 million by the year 2000, or about double that of the United States and Canada together at that time and at the present rate of increase.

### **Primary Importance of Trade**

Of these sources of dollars, trade is undoubtedly of primary importance to Latin America. It renews itself year after year and is self-perpetuating. Trade is most easily expanded through the efforts and ingenuity of individuals, provided governments do not intervene unduly to create obstacles. Efforts to increase trade, or to eliminate barriers to trade, can most effectively contribute to the further improvement of our economic relations. This \$7.5 billion trade so beneficial to both the United States and Latin America can be increased substantially over the years, as it has been increasing in the past, to our mutual advantage.

There is much that can be done by private citizens and by governments both in Latin America and the United States to increase this trade.

Some of Latin America's exports enjoy a monopoly or near monopoly on the United States market. How much could the markets for these products be expanded if a really intensive long-term campaign were undertaken by the traders in these products? For instance, does this country really satisfy its "coffee hunger"?

Many Latin American exports, however, must be sold in the United States in competition with our domestic production of the same product. In this situation there are conflicting interests which must be reconciled in the national interest. On the one hand, we must recognize that, if economic and political stability is to exist in Latin America, we must protect its existing access to the United States market. At the same time, domestic producers, understandably, press for protection against competitive foreign products. Your Government seeks carefully to resolve these situations in terms of our national interest, which includes encouragement to the healthy economic growth of our neighbors. In doing so, it must be borne in mind that to restrict access to our markets to Latin American exporters means that we are restricting in turn the Latin American markets of our own exporters of agricultural and manufactured products. Our Latin American customers must earn their dollars in our markets if they are to continue buying from us.

The expansion of this inter-American trade is important to each of us. The 25 percent of our total exports we sell to Latin America means a great many jobs to our labor force. It contributes greatly to the strength of the hemisphere and to our own security by making its basic contributions to the development of stable free-enterprise economies in Latin America.

### **Private Investment**

Second in importance to trade as a source of dollars for Latin America is private investment. Since profits must be earned before there is any remittance, private equity investment is preferable from the point of view of the capital-importing country to loans on which interest must be paid—whether or not the loan is profitably employed. Our private investment already has an enviable record in contributing to the economic development of Latin America. A recent survey of the Department of Commerce has undertaken to assay the role of United States investment in the Latin American economy.<sup>2</sup> This study shows, in a way that was heretofore not generally known, the mutually beneficial results of this investment. Some of the facts revealed are particularly noteworthy:

—United States companies in Latin America in 1955 paid salaries of a billion dollars to 609,000 employees, only 9,000 of whom were brought from the United States. This is an average wage of \$1,600 per year.

—In that year these companies paid over \$1 billion in taxes.

—These United States financial operations produced in Latin America in 1955 goods and services valued at \$4.8 billion. More than \$2 billion of these goods and services were sold abroad for dollars, while \$2.5 billion were sold in local markets—most of them replacing goods which otherwise might have to be imported.

—To support these operations in 1955 these companies used \$650 million to import raw materials and capital equipment and remitted \$555 million in earnings, at the same time making a net

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<sup>2</sup> For an article based on this survey, see "The Role of U.S. Investments in the Latin American Economy," by Samuel Pizer and Frederick Cutler, *Survey of Current Business*, January 1957, for sale by the Superintendent of Documents, Government Printing Office, Washington 25, D. C., 30 cents.



new investment of \$100 million in Latin America.

—The net contribution of United States companies to the Latin American economies during 1955 is consequently estimated at \$3.5 billion.

—The net gain to *Latin America* from the operations of United States direct investments was \$3.5 billion in 1955.

### Tourism

The third important source of dollars I have mentioned is that of tourism. Like trade and private investment, it is generated, fundamentally, by private initiative rather than government. And, like those two sources, it is capable of steady and lucrative expansion, not based on government appropriation of funds. Latin America has a vast potential source of income in its multiple tourist attractions which has so far been only partially exploited.

The completion of the Inter-American Highway to the Panama Canal and the improvement of travel and hotel facilities will undoubtedly attract in the future a greater portion of the millions of Americans who annually travel abroad. At the present time, 36.2 percent of our 1,284,000,000 tourist dollars go to Europe each year, while only around 25 percent, or \$330,000,000, go to Latin America. Competition in this field is keen, and the interested countries must “sell” their attractions.

The fields in which private enterprise and initiative can expand and develop the inter-American economic opportunities are indeed challenging to the people of this hemisphere, and the importance of these economic relations to the people of our country and of the other American Republics would be difficult to overstate. While the governments of the hemisphere can make certain contributions toward this development, or can retard it, the course which our countries will follow in this mutually beneficial undertaking will be determined, essentially, by the efforts of our people.

With respect to the role of the governments of the hemisphere in the improvement of the living standards of our peoples, I would like to call your attention to efforts which are now being made to strengthen the Organization of American States in the economic, financial, social, and technical fields.

When the Presidents of the American Republics met in Panama during July of last year,<sup>3</sup> there was enthusiastic response to President Eisenhower's proposal that each of the 21 Presidents name a personal representative to meet together and make practical suggestions which the Organization of American States could appropriately adopt to strengthen its cooperative efforts in those fields which affect the welfare of the individual. President Eisenhower named his brother, Dr. Milton Eisenhower, to be the United States representative. These representatives, who have come to be called the Inter-American Committee of Presidential Representatives, met formally last September and again in January<sup>4</sup> of this year. They plan a final meeting later this month to put in final form the reports which they will make to the respective Presidents.

While it would be premature to speculate on the detailed form this report will take, I can assure you that the members of this special committee representing all the American Republics, their staffs, and the secretariats of the Oas have devoted a great deal of earnest effort toward developing realistic proposals to strengthen and expand the cooperative activities of the Organization of American States in such fields as public health, the peaceful uses of nuclear energy in various fields, educational exchange, agricultural research, and public education. These governmental activities will make an essential contribution toward providing the individual with the “tools” of good health, literacy, and technical know-how so essential in the development of the hemisphere's natural resources for the benefit of its peoples.

I have tried to summarize for you the activities of the peoples and the governments of the 21 Republics which make for the economic interdependence of the Americas. This interdependence which has contributed so much of mutual benefits to our peoples already holds great promise for the future. This promise has achieved increasing reality through our joint efforts to develop in a dynamic fashion the economies of all of the countries which make up our great inter-American community.

<sup>3</sup> BULLETIN of Aug. 6, 1956, p. 221.

<sup>4</sup> *Ibid.*, Oct. 1, 1956, p. 511, and Mar. 25, 1957, p. 479.

## The Two Halves of Progress

by Robert C. Hill

*Assistant Secretary for Congressional Relations*<sup>1</sup>

For nearly a century and a half the United States has been forging hemispheric ties of greater and greater solemnity and intimacy. In my lifetime we have become aware that, when we speak of the "American way," we intuitively or subconsciously mean the "All-American way." This is the spirit infusing the whole history and tradition of growth in our hemisphere.

For many years—if my youth may speak in terms of many years—I have been excited by the potential of cooperation that presents itself to the northern and southern halves of the New World. Some years ago I was the employee of an American company which has pioneered, and I hope with a feeling of satisfaction on the part of its Latin American associates, in the development of economic relations between the United States and Latin American nations. Later I was associated with the Senate Committee on Banking and Currency at the time when Senator Homer Capehart first talked with me about a Senate mission to Latin America. Still later I served on two different occasions as United States Ambassador to Central American countries—Costa Rica and El Salvador—whose economies are closely and profitably related to the United States.

In the future we hope there will be opportunities to foster even closer relationships between countries whose relationships have been instructively intertwined for many decades. In an earlier generation there were times, of course, when great difficulties had to be surmounted; there were times in which the tests of accommodation

and of mutual respect and mutual helpfulness had to be tried in the fiercest fires.

Happily, these precarious times are past. In the United States today, as in what were the most ancient of the Spanish vicerealties, the long testing and evolution of relationships has finally reached a point where mutual understanding and cooperation were never greater.

In this respect almost anything that can be said about one American country can be said with equal truth about any nation in the Americas. That truism has a vital political significance for the world. It is significant because, in a world of so many unknowns, mankind builds on what it knows. The fact that the United States knows and respects Latin America and Latin America knows and respects the United States is therefore a portent for growth that cannot be exaggerated.

### Pan-American Unity

We in the United States are not ignorant of our debt to Latin America. In all the talk about underdeveloped nations—whatever economic meaning that expression may have—we are not unaware that Latin America has long been in the vanguard of civilization in its concept of the dignity of man and his relationship to the universe.

We do not forget that the rights of man embodied in our Declaration of Independence had strong spiritual support from the noble Padre Las Casas, administrator of the Council of the Indies, pleading the cause of the enslaved Indian at the court of Spain. In the United States Capitol building itself, one is reminded of that; as you come down one of the important stairways, there

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<sup>1</sup> Address made at the Pan American Day banquet honoring the Council of the Organization of American States at Los Angeles, Calif., on Apr. 14 (press release 210 dated Apr. 12).



in front of you in a famous mural is the portrait of Las Casas, the first man in the Western Hemisphere to enunciate the inviolable rights of mankind.

We do not forget that the first idea of pan-American unity came from Latin America—from Bolívar—nor that the first concept of a United Nations was born in the Bolívarian concept, nor that the first pan-American conference was called in Panama—again by Bolívar.

But, while it is well to recognize these riches in our heritage, it is still the better part of wisdom to look ahead rather than backward. In the past the dignity of the human spirit was a subject of intense preoccupation in Latin America because progress in other directions was grievously inhibited. Progress was slow because nature had locked up the resources of Latin America in difficult geographical and chemical formulas. Until the coming of the airplane, until the age of abundance in power and machinery, until the miraculous discoveries of modern science and medicine enormous wealth was hidden away in the remoter jungles and mountain fastnesses.

Today we are engaged in a great scientific effort to unlock the storehouses of the world's hidden riches. We want to accelerate the volume of production, to provide easy access to the remotest wilderness, to uplift the standards of living in regions where natural resources have been too long hidden from use. In response to this challenge the generosity and imagination of the people of the United States are exploring the problems of underdeveloped nations all through the world.

For myself I am confident that in this effort the people of the Government of the United States are not going to lose sight of the historical priorities. And believe me, there are priorities, even though we recognize the interdependence of freedom-loving men everywhere.

The priorities are partly spiritual, residing in our common faith in the dignity of the individual; they are partly historic, residing in the constant evolution of such institutions as the Organization of American States; and they are partly economic, residing in the fact that we occupy an economic plateau which is measurably higher than those in many parts of Africa and Asia and the Communist orbit.

We in the Western Hemisphere are the world's greatest bastion against the totalitarian invasion.

We are capable of defending civilization in a spirit of unity because as a whole we are further along in the process of development. I sincerely mean that; I am not indulging merely in rhetorical overstatement. A region such as Latin America, with 150 years of experience in self-government, in cultural diversity, and in economic development, is far more likely a candidate for progressive growth than a similar area where there is no long tradition of political self-discipline, no long kinship with 20th-century scientific advancement, no present source of skilled labor, and in some cases fewer of the spiritual values that create the incentive for progress.

Copper and iron and petroleum are chemically the same everywhere. Food is much the same no matter what the longitude and latitude in which it grows. But for the United States, products can have "plus" values. So far as American policy is concerned, iron ore in nearby Latin American countries belonging to people who share our economic and cultural values is, in my opinion, a higher grade of iron ore than in some other parts of the world.

#### **U.S. Capital Investment in Latin America**

The essence and reality of the Western Hemisphere alliance can easily be demonstrated statistically. The United States relishes in many ways its close ties with Latin America. To prove that, you need look no further than the figures on foreign investment. Private individuals and corporations in the United States have put more than \$7 billion worth of their capital to work in Latin America.

Moreover, a recent economic analysis has clearly refuted one of the favorite arguments of demagogues—the argument that United States capital bleeds and exploits Latin America. Here are the facts: Every year United States companies in Latin America produce nearly \$5 billion worth of goods and services. They provide 30 percent of all the goods exported from Latin America. Every year 600,000 Latin American workers receive nearly a billion dollars in wages and salaries from United States companies. Every year the Governments of Latin America receive over a billion dollars in taxes from these same companies. And in contrast to this enormous increment of new wealth for Latin America, remittances of profits are barely one-tenth as much as total production—

some \$600 million a year—and the flow of new investment and reinvestment in productive enterprise is actually greater than the remittance of profits.

As we look to the future, however, it is not enough merely to say that United States capital has contributed to the Latin American pattern of growth. New economic pressures are emerging in many parts of the world—in Asia, in the Middle East, and most notably and most recently in Africa. All the countries where economic development has been slow are now clamoring for a swift acceleration in the tempo of expansion. In many of these areas there are rich opportunities for capital investment, for socially desirable services, and for legitimate profits. Latin America must now compete with all these burgeoning economies for money and facilities and know-how.

During the period when Communist intrigues and nationalist pride were trying to frighten international capital into hiding, it was politically fashionable for leaders in some countries to debate whether foreign capital ought to be made welcome. Today the issue is no longer debatable. Every fact of modern life insists that international capital must be obtained if the pace of development in Latin America is to be maintained.

#### **A Job for Private Enterprise**

The only remaining issue is: Who will provide the capital and on what terms?

Already part of the answer is visible. Already we know who is *not* going to provide the capital. By tacit agreement neither the United States taxpayer nor the Latin American taxpayer is going to pay for creating the means of production. It is clear that Latin America is fundamentally in tune with the United States concept of production: that the manufacture of goods for private consumption should not be financed with governmental funds but that instead this is a job primarily for private enterprise.

Such an understanding is a long step forward. In certain other parts of the world, where the rate of capital formation is slow, economists and statesmen have been saying that private initiative cannot answer urgent social needs. They have been saying there must be "mixed economies," made up in part from public and in part from private funds. This type of argument is being propounded even in cases where the government

has no resources of its own and where government revenues are so slender as to provide no real foundation for public credit.

It is significant and heartwarming that Latin America as a whole has steered clear of this. From the Rio Grande to Tierra del Fuego, businessmen and government leaders alike have put their faith primarily in private enterprise. At times, and often without mincing words, they have criticized United States capital and American corporations; but it is certainly notable that they have not closed their doors to investors, they have not invented discriminatory and confiscatory taxes, they have not pretended they can "go it alone" and provide food and clothing for their people with mimeographed speeches on patriotism. In short, there already exist in this hemisphere the bricks and mortar with which to build a harmonious, productive economic structure.

Our assets are clearly visible. We have a common respect for the individual and his place in the economic system whether he be owner, manager, or worker. We have interrelated economies with some areas producing raw materials, others producing food and fibers, others developing complementary processing facilities. We have a multibillion-dollar system of production already in operation. We have trade valued in billions of dollars flowing steadily in multilateral patterns throughout the hemisphere.

Not to be overlooked by any means is the existence of our regional Organization of American States, in which the United States has been proud to play a part. In the community of nations there has been no secret of the fact that the United States takes a special neighborly interest in its sister Republics of the Americas, and that the policy of the United States will always be to lend the fullest measure of help in promoting hemispheric welfare. You can be sure that today, with disruption of historic trade patterns in the Middle East and with the emergence of highly competitive economies elsewhere in the underdeveloped areas, the United States is not the less sensible of its historic friendships in this hemisphere and is not at all inclined to minimize the importance of Latin American development.

#### **Speeding New Patterns of Growth**

It is not enough, however, to pay tribute to what has been accomplished and to restate old loyalties.



What is more important at this stage is to devise what means we can to speed the new patterns of growth. It is time to be specific and to consider concrete solutions.

Enough surveys have been conducted and enough analyses have been made to show that development in Latin America should logically follow two distinct but parallel lines. On the one hand, there is a need for certain government-to-government financing, using public funds. The need here is for major public improvements—for such non-revenue-producing utilities as roads, harbors, bridges, tunnels, dams, schools, and new sources of mechanical power. The problem is to prime the economic pump—to create power and the means of mobility before human skills and productive energies can be effectively marshaled.

At the same time there is a need for new and vastly greater sources of credit through private channels if individual businessmen are going to be able to provide the merchandise that people want for their comfort and happiness. The private banking system is being challenged to modernize itself. Recently, one noted United States industrialist pointed out that the largest commercial bank in the United States today can make no loan of more than \$50 million. He urged the creation of a banking system capable of meeting credit requirements of considerably greater magnitude. He proposed the creation of at least a dozen of what might by present standards be called "super banks," each one with capital and surplus exceeding a billion dollars and each capable of lending as much as \$100 million to a single borrower.

So far there has been no specific response to this bold and imaginative proposal. It can hardly be doubted, however, that the financial community will eventually begin to think in terms of that magnitude. All of us can see the need for creating new production facilities; all agree that construction on the necessary scale cannot be paid for in cash. This means that big industry has got to invent new methods of buying time, of paying on the installment plan.

When the credit structure is ultimately modernized, we can be fairly sure of two things: first, that United States bankers will be in the vanguard of the movement because they want to help sell United States goods and services, and second, that

Latin America will be ready to cooperate because the people and governments of this hemisphere agree that private capital ought to finance private development.

By way of summary, then, let us say that some increase in governmental loans can be expected in the realm of public works, either through the Export-Import Bank, or the World Bank, or other facilities. This trend is logical because it is no longer generally feasible for private bond buyers to finance governments. But, parallel to the use of public funds for such improvements, we can expect to see new facilities for channeling private funds into the hands of private businessmen and industrialists.

### **A Task in Partnership**

All this now becomes a task in partnership. We are fully aware that every country has its own traditions and the forms of government that particularly fit the genius of its people. We do not expect that the concept of democracy be the same in every country from the Arctic Circle to Cape Horn any more than we expect that every house on an American street be the same. But a common devotion to the principles of freedom and the dignity of man was shared by Las Casas and Thomas Jefferson, and it is that common bond that we in this generation want to bring to its logical maturity, economic as well as political.

In our common struggle for a good life—and as time goes on for a better life, we may all hope—the international Communist movement is engaged in an unceasing effort to undermine progress and thwart our orderly development. But by this time we know enough about the anatomy of communism, however, to be able to keep its hostility in perspective. We know that communism is not the only danger. We know that poverty and disease and the endless, grueling frustration of the human spirit can be just as dangerous to our peace and prosperity.

What holds us together in the quest for a new measure of well-being is that we know not only what we are against but also what we are in favor of. So long as we know where we are going—and we do!—then we can and will move toward the future with the same high courage and purpose as the pioneers who built our Western civilization.

# INTERNATIONAL ORGANIZATIONS AND CONFERENCES

## Calendar of Meetings<sup>1</sup>

### Adjourned During April 1957

|                                                                                                                                              |                         |                  |
|----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------|
| U.N. Trusteeship Council: Standing Committee on Petitions . . .                                                                              | New York . . . . .      | Feb. 18-Apr. 30* |
| ICAO Aerodromes, Air Routes and Ground Aids Division: 6th Session.                                                                           | Montreal . . . . .      | Mar. 12-Apr. 15  |
| U.N. ECOSOC Commission on Status of Women: 11th Session . .                                                                                  | New York . . . . .      | Mar. 18-Apr. 5   |
| ICEM Executive Committee: 7th Session . . . . .                                                                                              | Geneva . . . . .        | Mar. 28-Apr. 6   |
| FAO Cocoa Study Group: Statistical Subcommittee. . . . .                                                                                     | Rome . . . . .          | Apr. 1-3         |
| UNESCO Intergovernmental Advisory Committee on the Major Project on Mutual Appreciation of Eastern and Western Cultural Values: 1st Meeting. | Paris . . . . .         | Apr. 1-10        |
| U.N. ECE <i>Ad Hoc</i> Working Party on Standardization of Conditions of Sale for Cereals.                                                   | Geneva . . . . .        | Apr. 1-12        |
| ILO Advisory Committee on Salaried Employees and Professional Workers: 4th Session.                                                          | Geneva . . . . .        | Apr. 1-13        |
| UPU Executive and Liaison Committee . . . . .                                                                                                | Lausanne . . . . .      | Apr. 1-13        |
| U.N. ECOSOC Human Rights Commission: 13th Session . . . .                                                                                    | Geneva . . . . .        | Apr. 1-26        |
| FAO European Commission for Control of Foot-and-Mouth Disease: 4th Session.                                                                  | Rome . . . . .          | Apr. 2-3         |
| FAO Special Committee on Observer Status . . . . .                                                                                           | Rome . . . . .          | Apr. 2-3         |
| FAO/ILO Conference on Rural Life in Europe . . . . .                                                                                         | Bad Godesberg . . . . . | Apr. 2-12        |
| FAO Cocoa Study Group: Executive Committee . . . . .                                                                                         | Rome . . . . .          | Apr. 4-5         |
| FAO Committee on Relations With International Organizations .                                                                                | Rome . . . . .          | Apr. 5-6         |
| ICEM Subcommittee on Coordination of Transport . . . . .                                                                                     | Geneva . . . . .        | Apr. 5 (1 day)   |
| ICEM Council: 6th Session . . . . .                                                                                                          | Geneva . . . . .        | Apr. 8-12        |
| UNICEF Executive Board and Program Committee. . . . .                                                                                        | New York . . . . .      | Apr. 8-15        |
| U.N. Scientific Committee on the Effects of Atomic Radiation: 3d Meeting.                                                                    | Geneva . . . . .        | Apr. 8-18        |
| U.N. ECAFE: 5th Regional Conference of Asian Statisticians . .                                                                               | Bangkok . . . . .       | Apr. 8-20        |
| ILO Tripartite Preparatory Technical Maritime Conference: Working Party on Wages, Hours of Work, and Manning on Board Ship.                  | Geneva . . . . .        | Apr. 11-19       |
| United States World Trade Fair . . . . .                                                                                                     | New York . . . . .      | Apr. 14-27       |
| IAEA Preparatory Commission: 15th Meeting . . . . .                                                                                          | New York . . . . .      | Apr. 16 (1 day)  |
| Inter-Parliamentary Union Council . . . . .                                                                                                  | Nice . . . . .          | Apr. 23-28       |
| GATT Intersessional Committee . . . . .                                                                                                      | Geneva . . . . .        | Apr. 24-27*      |

### In Session as of April 30, 1957

|                                                                                                              |                      |          |
|--------------------------------------------------------------------------------------------------------------|----------------------|----------|
| U.N. Trusteeship Council: 19th Session . . . . .                                                             | New York . . . . .   | Mar. 14- |
| U.N. Disarmament Commission: Subcommittee on Disarmament, Economic and Social Council: 23d Session . . . . . | London . . . . .     | Mar. 18- |
| Inter-American Commission of Women: Technical Experts and Administrative Heads of Women's Labor Bureaus.     | New York . . . . .   | Apr. 16- |
| FAO International Poplar Commission: 9th Session . . . . .                                                   | México, D.F. . . . . | Apr. 20- |
| International Poplar Congress . . . . .                                                                      | Paris . . . . .      | Apr. 22- |
| 2d European Civil Aviation Conference . . . . .                                                              | Paris . . . . .      | Apr. 22- |
| ICAO Legal Committee: Subcommittee on Hire, Charter, and Interchange of Aircraft.                            | Madrid . . . . .     | Apr. 24- |
| 9th ILO International Conference of Labor Statisticians . . . .                                              | Madrid . . . . .     | Apr. 24- |
| IAEA Committee of the Whole: 2d Session . . . . .                                                            | Geneva . . . . .     | Apr. 24- |
| U.N. Economic Commission for Europe: 12th Session . . . .                                                    | New York . . . . .   | Apr. 25- |
| U.N. ECOSOC Narcotic Drugs Commission: 12th Session . . .                                                    | Geneva . . . . .     | Apr. 29- |
|                                                                                                              | New York . . . . .   | Apr. 29- |

<sup>1</sup> Prepared in the Office of International Conferences, Apr. 16, 1957. Asterisks indicate tentative dates and places. Following is a list of abbreviations: U.N., United Nations; ICAO, International Civil Aviation Organization; ECOSOC, Economic and Social Council; ICEM, Intergovernmental Committee for European Migration; FAO, Food and Agriculture Organization; UNESCO, United Nations Educational, Scientific and Cultural Organization; ECE, Economic Commission for Europe; ILO, International Labor Organization; UPU, Universal Postal Union; UNICEF, United Nations Children's Fund; ECAFE, Economic Commission for Asia and the Far East; IAEA, International Atomic Energy Agency; GATT, General Agreement on Tariffs and Trade; ITU, International Telecommunication Union; NATO, North Atlantic Treaty Organization; WHO, World Health Organization; UNREF, United Nations Refugee Fund; PAIGH, Pan American Institute of Geography and History; PASO, Pan American Sanitary Organization; WMO, World Meteorological Organization; PIANC, Permanent International Association of Navigation Congresses; IBE, International Bureau of Education.



# Calendar of Meetings—Continued

## Session as of April 30, 1957—Continued

|                                                                       |                      |          |
|-----------------------------------------------------------------------|----------------------|----------|
| Inter-American Presidential Representatives: 3d Meeting . . .         | Washington . . . . . | Apr. 29- |
| ITU Administrative Council: 12th Session . . . . .                    | Geneva . . . . .     | Apr. 29- |
| South Pacific Commission: Conference on the Review of the Commission. | Canberra . . . . .   | Apr. 30- |

## Scheduled May 1-July 31, 1957

|                                                                                           |                               |           |
|-------------------------------------------------------------------------------------------|-------------------------------|-----------|
| International Commission on Irrigation and Drainage: 3d Congress.                         | San Francisco . . . . .       | May 1-    |
| 10th International Cannes Film Festival . . . . .                                         | Cannes . . . . .              | May 2-    |
| NATO Council: Ministerial Meeting . . . . .                                               | Bonn. . . . .                 | May 4-    |
| FAO Technical Meeting on Soil Fertility for Latin America . . . .                         | Turrialba, Costa Rica . . . . | May 6-    |
| J.N. Advisory Committee on Peaceful Uses of Atomic Energy: 6th Session.                   | Geneva . . . . .              | May 6-    |
| J.N. ECE Conference of European Statisticians: Seminar on Industrial Statistics.          | Athens . . . . .              | May 6-    |
| J.N. ECOSOC Social Commission: 11th Session . . . . .                                     | New York . . . . .            | May 6-    |
| ILO Metal Trades Committee: 6th Session . . . . .                                         | Geneva . . . . .              | May 6-    |
| FAO European Forestry Commission: 9th Session . . . . .                                   | Rome . . . . .                | May 7-    |
| WHO: 10th World Health Assembly . . . . .                                                 | Geneva . . . . .              | May 7-    |
| International Hydrographic Bureau: 7th Congress . . . . .                                 | Monaco . . . . .              | May 7-    |
| Inter-American Travel Congresses: Permanent Executive Committee.                          | Washington . . . . .          | May 10-   |
| FAO Indo-Pacific Fisheries Council: 7th Session . . . . .                                 | Bandung . . . . .             | May 13-   |
| J.N. ECAFE Highway Subcommittee: Seminar on Highway Safety.                               | Tokyo . . . . .               | May 13-   |
| J.N. Economic Commission for Latin America: 7th Session . . . .                           | La Paz, Bolivia . . . . .     | May 15-   |
| International Conference for Uses of Radar in Marine Navigation .                         | Genoa . . . . .               | May 16-   |
| International Cotton Advisory Committee: 16th Plenary Meeting .                           | Istanbul . . . . .            | May 20-   |
| International Commission for Northwest Atlantic Fisheries: 7th Meeting.                   | Lisbon . . . . .              | May 20-   |
| J.N. Trusteeship Council: 20th Session . . . . .                                          | New York . . . . .            | May 20-   |
| Caribbean Commission: 24th Meeting . . . . .                                              | St. Thomas, V. I. . . . .     | May 22-   |
| Customs Cooperation Council: 10th Session . . . . .                                       | Brussels . . . . .            | May 27-   |
| FAO Study Group on Grains: 1st Meeting . . . . .                                          | Rome . . . . .                | May 27-   |
| LO Governing Body: 135th Session . . . . .                                                | Geneva . . . . .              | May 27-   |
| WHO Executive Board: 20th Session . . . . .                                               | Geneva . . . . .              | May 27-   |
| UNESCO Executive Board: 48th Session . . . . .                                            | Paris . . . . .               | May 27-   |
| J.N. ECE Housing Committee: 14th Session and Working Parties .                            | Geneva . . . . .              | May 27-   |
| UNREF Standing Program Subcommittee: 5th Session . . . . .                                | Geneva . . . . .              | May 31-   |
| J.N. Trusteeship Council: Committee on Administrative Unions .                            | New York . . . . .            | May*      |
| Inter-American Commission of Women: 12th General Assembly .                               | Washington . . . . .          | June 1-   |
| FAO Council: 26th Session . . . . .                                                       | Madrid . . . . .              | June 3-   |
| PAIGH Directing Council: 2d Meeting . . . . .                                             | Rio de Janeiro . . . . .      | June 3-   |
| J.N. ECE Working Party on Transport of Perishable Foodstuffs .                            | Geneva . . . . .              | June 3-   |
| UNREF Executive Committee: 5th Session . . . . .                                          | Geneva . . . . .              | June 3-   |
| J.N. ECE Committee on Development of Trade: Working Party on Arbitration.                 | Geneva . . . . .              | June 3-   |
| CAO Panel on Vertical Separation of Aircraft: 2d Meeting . . . .                          | Montreal . . . . .            | June 3-   |
| J.N. ECAFE Working Party on Small-Scale Industries and Handicraft Marketing: 5th Meeting. | India . . . . .               | June 3-   |
| Diplomatic Conference Relating to International Registration of Trademarks.               | Nice . . . . .                | June 4-   |
| World Power Conference: International Executive Council . . . .                           | Belgrade . . . . .            | June 4-   |
| International Labor Conference: 40th Session . . . . .                                    | Geneva . . . . .              | June 5-   |
| World Power Conference: Sectional Meeting . . . . .                                       | Belgrade . . . . .            | June 5-   |
| FAO Asia-Pacific Forestry Commission: 4th Session . . . . .                               | Bandung . . . . .             | June 8-   |
| GATT Balance of Payments Consultations and Intersessional Committee Meeting.              | Geneva . . . . .              | June 10-  |
| J.N. ECE Inland Transport Committee: Working Party on Transport of Dangerous Goods.       | Geneva . . . . .              | June 11-  |
| J.N. ECE Steel Committee and Working Parties . . . . .                                    | Geneva . . . . .              | June 11-  |
| PAO Executive Committee: 31st Meeting . . . . .                                           | Washington . . . . .          | June 12-  |
| LO "Art and Labor" Exhibition . . . . .                                                   | Geneva . . . . .              | June 15-  |
| CAO Panel on Future Requirements for Turbo-jet Aircraft: 3d Meeting.                      | Montreal . . . . .            | June 17-  |
| International Commission for Criminal Police: 26th Session of the General Assembly.       | Lisbon . . . . .              | June 17-  |
| J.N. ECE: 5th Conference of European Statisticians . . . . .                              | Geneva . . . . .              | June 17-  |
| WMO Commission for Aerology: 2d Session . . . . .                                         | Paris . . . . .               | June 18-  |
| WMO Commission for Instruments and Methods of Observation: 2d Session.                    | Paris . . . . .               | June 18-  |
| FAO Desert Locust Control: Technical Advisory Committee . . .                             | Morocco . . . . .             | June 19*- |
| 7th Berlin International Film Festival . . . . .                                          | Berlin . . . . .              | June 21-  |

May 6, 1957

## Calendar of Meetings—Continued

### Scheduled May 1–July 31, 1957—Continued

|                                                                                                                                                      |                      |           |
|------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------|
| International Rubber Study Group: 13th Meeting . . . . .                                                                                             | Djakarta . . . . .   | June 24–  |
| International Council for the Exploration of the Sea: 45th meeting . . . . .                                                                         | London . . . . .     | June 24–  |
| U.N. ECOSOC Coordination Committee . . . . .                                                                                                         | Geneva . . . . .     | June 24–  |
| U.N. ECAFE Committee on Industry and Trade: Subcommittee on Iron and Steel . . . . .                                                                 | Indonesia . . . . .  | June 24–  |
| International Whaling Commission: 9th Meeting . . . . .                                                                                              | London . . . . .     | June 24–  |
| International Wheat Council: 22d Session . . . . .                                                                                                   | London . . . . .     | June 24–  |
| FAO Desert Locust Control Committee: 4th Session . . . . .                                                                                           | Morocco* . . . . .   | June 25*  |
| ILO Governing Body: 136th Session . . . . .                                                                                                          | Geneva . . . . .     | June 28*– |
| IAEA Preparatory Commission . . . . .                                                                                                                | New York . . . . .   | June      |
| International Sugar Council: 13th Session . . . . .                                                                                                  | London . . . . .     | July 2–   |
| U.N. Economic and Social Council: 24th Session . . . . .                                                                                             | Geneva . . . . .     | July 2–   |
| Permanent International Commission of Navigation Congresses: Annual Meeting . . . . .                                                                | London . . . . .     | July 8–   |
| PIANC: 19th International Congress . . . . .                                                                                                         | London . . . . .     | July 8–   |
| UNESCO/IBE: 20th International Conference on Public Education . . . . .                                                                              | Geneva . . . . .     | July 8–   |
| Consultative Committee for Economic Development in South and Southeast Asia (Colombo Plan): Working Group on Asian Regional Nuclear Center . . . . . | Washington . . . . . | July 8*–  |
| International Union of Crystallography: 4th General Assembly and International Congress . . . . .                                                    | Montreal . . . . .   | July 10–  |
| 16th International Congress of Pure and Applied Chemistry . . . . .                                                                                  | Paris . . . . .      | July 16–  |
| 19th Conference of International Union of Pure and Applied Chemistry . . . . .                                                                       | Paris . . . . .      | July 16–  |
| U.N. Committee on Information from Non-Self-Governing Territories: 8th Session . . . . .                                                             | New York . . . . .   | July 22–  |
| Caribbean Commission: Conference on Demographic Problems of Caribbean Area . . . . .                                                                 | Trinidad . . . . .   | July 25–  |
| FAO Latin American Forestry Commission: 6th Session . . . . .                                                                                        | Guatemala . . . . .  | July 30–  |
| American International Institute for the Protection of Childhood: Directing Council . . . . .                                                        | Montevideo . . . . . | July      |
| U.N. ECAFE Working Party on Housing and Building Materials: 5th Meeting . . . . .                                                                    | Bangkok . . . . .    | July      |
| U.N. ECOSOC Technical Assistance Committee . . . . .                                                                                                 | Geneva . . . . .     | July      |

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UNREF Executive Committee. Report on Action by the League of Red Cross Societies in Favour of Hungarian Refugees in Austria. (Submitted by the League of Red Cross Societies). A/AC. 79/52, January 25, 1957. 4 pp. mimeo.

UNREF Executive Committee. The Problem of Hungarian Refugees in Yugoslavia. An assessment of the needs and recommendations for future action. Submitted by the High Commissioner. A/AC. 79/54, January 30, 1957. 23 pp. mimeo.

UNREF Executive Committee. The Situation of Refugees Who Have Recently Left Egypt. A/AC. 79/58, January 31, 1957. 1 p. mimeo.

UNREF Executive Committee. Report on the Fourth Session of the UNREF Executive Committee. A/AC. 79/60, February 11, 1957. 36 pp. mimeo.

UNREF Executive Committee. Financial Rules for Voluntary Funds. A/AC. 70/10/Rev. 2, February 12, 1957. 8 pp. mimeo.

#### Disarmament Commission

Letter Dated 18 March 1957 Addressed to the Secretary-General by the Permanent Representative of Japan Transmitting the Text of a Resolution of the House of Councillors of Japan on the Prohibition of Atom and Hydrogen Bombs, Together with a Letter from the Prime Minister and Minister for Foreign Affairs of Japan. DC/109, March 25, 1957. 3 pp. mimeo.



# Meeting the Challenge of Moving Hungarian Refugees

## FIFTH SESSION OF COUNCIL AND EXECUTIVE COMMITTEE AND SIXTH (SPECIAL) SESSION OF EXECUTIVE COMMITTEE OF INTERGOVERNMENTAL COMMITTEE FOR EUROPEAN MIGRATION

by George L. Warren

The Intergovernmental Committee for European Migration (ICEM), organized on United States initiative in 1951 to facilitate emigration from Europe, met the unusual challenge of moving 88,657 Hungarian refugees out of Austria in 1956, while at the same time maintaining its normal program at the peak level of 129,597 migrants moved out of Europe.

The Migration Committee financed the movement of 40,597 Hungarian refugees, whereas the costs of the movement of the other 48,060 were borne directly by the governments which received the refugees. However, the Migration Committee was responsible for the organization and dispatching of all movements and assisted those governments which supplied transportation in scheduling planes and trains and in processing the refugees for embarkation. By the end of the year, 29,915 of the Hungarian refugees had been moved overseas. The European countries received the majority—58,742—some for a temporary period pending their eventual resettlement in overseas countries.

These facts emerged from the discussions and actions taken at the fifth session of the ICEM Council and Executive Committee (September 20 to

October 6, 1956), the meeting of the Working Party (January 8–14, 1957), and the sixth (special) session of the Executive Committee (January 14–18, 1957).<sup>1</sup>

### Fifth Session of Council

The Union of South Africa joined the Migration Committee at the fifth session, bringing the total membership to 27 governments. Spain had joined at the previous session. The questions of the provision of migration services and of the development of land-settlement projects in Latin America preoccupied the Council at the fifth session.

The discussion on the Director's progress report demonstrated the concern of Italy and the Latin American countries over the disappointingly low numbers of workers currently moving to the Latin American countries and the continuing interest of the European countries in securing the maximum possible movement of refugees, under the United Nations High Commissioner's mandate, out of

• Mr. Warren, author of the above article, is Adviser on Refugees and Displaced Persons, Department of State. He served as alternate U.S. delegate to the fifth session of the ICEM Council and accompanied the U.S. representative to the sixth (special) session of the Executive Committee.

<sup>1</sup> The Department of State announced on Sept. 13, 1956 (press release 483), that Scott McLeod, Administrator of the Bureau of Security and Consular Affairs, would head an 11-man delegation to the fifth session of the ICEM. Representative Francis E. Walter, Representative Kenneth B. Keating, and Mr. Warren were named alternate delegates, and the following public members were designated advisers: Maurice G. Bellows, Walter M. Besterman, Walter Bieringer, Oliver Emmerich, George Fuller, John Mulford, and Frank Waldrop. For an announcement of the delegation to the sixth (special) session of the Executive Committee, see BULLETIN of Jan. 21, 1957, p. 109. For an article by Mr. Warren on the third and fourth sessions of the Council and Executive Committee, see *ibid.*, June 4, 1956, p. 944.

Europe. The U.S. representative, Scott McLeod, pointed out that the full exploitation of the operations of the processing centers in Austria, made possible by the U.S. special contribution of \$250,000 in July 1956, would provide an experimental demonstration of those migration services which should appropriately be provided by the governments of emigration, those which should be provided by the governments of immigration, and finally those which will need inevitably to be supplied by ICEM.

The discussion on the Director's report on migration services disclosed virtually unanimous support of services closely related to immediate movement but only qualified support of other technical services more related to the promotion of migration in the future and improvement in the qualifications of migrants. Italy, Spain, Greece, and the Latin American countries insisted on the necessity for expanding the latter type of services in order that the migrants moved to Latin America might be better qualified to fit into the requirements of that area. Australia and Canada argued that such services should be supplied directly by the governments concerned. There was, however, a measure of agreement that ICEM's efforts to assist Latin American countries to develop their specific immigration requirements in terms of numbers, trade skills, and areas of placement could be useful and that further efforts should be made to place migrants after arrival in jobs suited to their capacities.

#### **Financing Land-Settlement Projects**

The Director's report on land settlement stated, in effect, that ICEM's technical assistance in this area would only be productive insofar as interested governments were themselves prepared to determine basic policies and to prepare specific projects of land settlement which might require partial financing from external sources. Representative Francis E. Walter of the U.S. delegation stated that Congress had supplied certain funds under the Smathers amendment to the Mutual Security Act which might be applied in the financing of land-settlement projects but that the initiative in presenting sound bankable projects rested solely with the Latin American countries. The representatives of Italy, Germany, the Netherlands, and the Latin American countries expressed their appreciation of the new potential source of financ-

ing for land-settlement projects and their determination to work out bilateral arrangements between emigration and immigration countries which would facilitate the development of sound projects.

#### **Working Party on Financing**

A lively discussion was precipitated by the observations of the Australian and U.S. representatives that the recommendations of the Working Party of 1955 had never been fully implemented in that per capita contributions still failed to meet the total costs of transport and related services, some governments receiving migrants had failed to make the minimum contribution of \$40 per migrant moved to or from their country, and the contributions to the free funds of the Committee were still inadequate to cover the expenditures for migration services and the movement of refugees. The U.S. representative suggested the necessity of resolving these problems of financing before the fall session of the Council in 1957 in order that governments might make firm pledges at that time for 1958 on a more satisfactory plan of financing. The Council finally resolved to set up a Working Party composed of the representatives of Australia, Brazil, Italy, the Netherlands, and the United States with broad terms of reference to report recommendations to the Executive Committee.

The Working Party met in Geneva in January. Before attacking its main task of reviewing the operations of the Committee and of finding improved methods of financing, the Working Party considered the effect which the heavy movement of Hungarian refugees in November-December 1956 had had on the organizational structure and normal operations of the Committee. Assisted by representatives of practically all of the other member governments, who attended as observers because of the high interest in Hungarian refugees, the Working Party concluded that the Migration Committee had not only been able to expand its services to meet satisfactorily the emergency presented by the Hungarian refugees but had actually gained new interest and support from governments in the process.

The Working Party otherwise reported that the main immediate objective of the Migration Committee should be to secure higher per capita contributions from member governments, based on movements to or from their respective countries, in



order that the total of such contributions would meet the total of costs of transportation and of the essential migration services closely related to the actual dispatch and reception of migrants. A further recommendation was that a special section of the budget should be established to include all expenditures for promotional migration services, grants to voluntary agencies for cooperative services, and costs for the movement of refugees. The assumption was that governments particularly interested in these programs would contribute more adequately to their support if these particular items of expenditure were clearly isolated from the larger expenditures for the movement of indigenous migrants.

Because the Migration Committee faced the necessity of moving larger numbers of Hungarian refugees overseas in 1957, not only from Austria but from the Western European countries, a special meeting of the Executive Committee was convened in January 1957. The Executive Committee found that 129,597 migrants had been moved out of Europe during 1956 under the normal program, the highest movement achieved in any single year. In 1956, \$3,334,493 had been spent on moving an additional 40,597 Hungarian refugees out of Austria, of whom 11,947 had gone overseas.<sup>2</sup> The estimated income of the Migration Committee for 1956 totaled \$2,769,607 for administration and \$43,103,907 for operations.

#### **Program for 1957**

After reviewing the estimates presented by the administration, the Executive Committee adopted a program for 1957 calling for the movement overseas out of Europe of 108,030 under normal operations and of an additional 35,450 Hungarian refugees—24,000 from Austria and 11,450 from the Western European countries. During the year, 30,000 Hungarian refugees were also to be assisted to move from Austria to other European countries in replacement of those moved overseas from these countries and in a further effort to reduce the refugee population in Austria. Financial requirements to meet this program were estimated at \$2,734,003 for administration and \$49,368,822 for operations.

<sup>2</sup> For background on the Hungarian refugee problem contained in a report made to President Eisenhower by Vice President Nixon on Jan. 1, 1957, see *ibid.*, Jan. 21, 1957, p. 94.

In adopting this budget the Executive Committee found it necessary to send an immediate telegraphic appeal to member governments for \$7,586,589 in additional contributions, particularly to insure the continuing movement of Hungarian refugees. The governments were reminded in the telegram that a one-time contribution to transport costs would substantially reduce the continuing costs of \$2,000,000 monthly in maintaining 70,000 Hungarian refugees remaining in Austria at the time.

Apart from the Hungarian movement, the estimates of expenditures of the Committee were increased for 1957 to meet additional costs to be incurred because of the necessity for shipping migrants and refugees to Australasia by the Cape route rather than through the Suez Canal. These problems of the budget for 1957 precluded any consideration by the Executive Committee of the report of the Working Party at the special session.

## **TREATY INFORMATION**

### **Current Actions**

#### **MULTILATERAL**

##### **Atomic Energy**

Statute of the International Atomic Energy Agency.

Done at New York October 26, 1956.<sup>1</sup>

*Ratification deposited:* Rumania, April 12, 1957.

##### **Automotive Traffic**

Convention on road traffic with annexes. Done at Geneva September 19, 1949. Entered into force March 26, 1952.

TIAS 2487.

*Ratification deposited:* Norway, April 11, 1957.

##### **Postal Services**

Universal postal convention, with final protocol, annex, regulations of execution, and provisions regarding air-mail and final protocol thereto. Signed at Brussels July 11, 1952. Entered into force July 1, 1953. TIAS 2800.

*Ratification deposited:* Dominican Republic, March 16, 1957.

##### **Slave Trade**

Protocol amending the slavery convention signed at Geneva September 25, 1926 (46 Stat. 2183), and annex. Done at New York December 7, 1953. Protocol entered into force December 7, 1953. Annex entered into force July 7, 1955. TIAS 3532.

*Ratification deposited:* Norway, April 11, 1957.

<sup>1</sup> Not in force.

## Whaling

Protocol amending the international whaling convention of 1946 (TIAS 1849). Done in Washington November 19, 1956.<sup>1</sup>

*Ratification deposited:* Norway, April 15, 1957.

## BILATERAL

### Burma

Economic cooperation agreement. Signed at Rangoon March 21, 1957. Enters into force upon notification by Burma that necessary legal requirements have been fulfilled.

### Canada

Agreement relating to navigation improvements in waters of the St. Marys River and the St. Clair River sections of the Great Lakes connecting channels. Effected by exchange of notes at Ottawa November 30, 1956, and April 8 and 9, 1957. Entered into force April 9, 1957.

### Chile

Agreement amending the agricultural commodities agreement of March 13, 1956 (TIAS 3583). Effected by exchange of notes at Washington April 15, 1957. Entered into force April 15, 1957.

### Israel

Agreement amending the agricultural commodities agreement of November 10, 1955, as amended (TIAS 3429, 3489, and 3497). Effected by exchange of notes at Washington April 9 and 10, 1957. Entered into force April 10, 1957. TIAS 3798.

### Japan

Agreement relating to the reciprocal waiver of nonimmi-

grant passport visa fees. Effected by exchange of notes at Tokyo March 5 and 22, 1957. Entered into force April 21, 1957.

### Libya

Development assistance agreement with Libya. Effected by exchange of notes at Tripoli April 4 and 6, 1957. Entered into force April 6, 1957.

### Morocco

Agreement providing for economic, technical, and related assistance to Morocco. Effected by exchange of notes at Rabat April 2, 1957. Entered into force April 2, 1957.

### Paraguay

Agreement providing for duty-free entry into Paraguay and exemption from internal taxation of relief supplies and packages. Effected by exchange of notes at Asunción April 4, 1957. Entered into force April 4, 1957.

Agreement for financing educational exchange programs. Signed at Asunción April 4, 1957. Enters into force on date of notification by Paraguay of ratification of agreement in accordance with its constitutional process.

### Peru

Agreement relating to the waiver of nonimmigrant passport visas and visa fees. Effected by exchange of notes at Lima April 6 and September 26, 1956, and related note of October 9, 1956. Entered into force September 26, 1956.

Agreement supplementing the agreement of April 6 and September 26, 1956, relating to passport visas and visa fees. Effected by exchange of notes at Lima January 4 and 7, 1957. Entered into force January 7, 1957.

## United States-Netherlands Air Transport Agreement

Press release 189 dated April 3

### DEPARTMENT ANNOUNCEMENT

Delegations of the United States and the Kingdom of the Netherlands, which have been meeting in Washington since March 19, concluded an air transport agreement on April 3, 1957.<sup>2</sup> Under Secretary of State Christian Herter signed on behalf of the U.S. Government, and E. H. van der Beugel, Under Secretary of State for Foreign Affairs, signed for the Government of the Kingdom of the Netherlands. The agreement describes the routes to be served by the flag carriers of both countries and contains the principles re-

<sup>1</sup> Not in force.

<sup>2</sup> For an announcement of the resumption of negotiations on Mar. 19, together with an exchange of letters between President Eisenhower and Netherlands Prime Minister Willem Drees, see BULLETIN of Apr. 8, 1957, p. 579.

lating to the operation of air transport services which are embodied in the standard Bermuda-type agreement.

Under the new agreement, the Netherlands carriers are authorized to serve New York and Houston and to operate services from the Netherlands Antilles to Miami via intermediate points and direct to New York. The U.S. carriers are given broad operating rights to and beyond the Netherlands, Surinam, and the Netherlands Antilles.

The agreement is provisionally operative from the date of its signature and will enter into force definitively on the date of receipt by the U.S. Government of appropriate notification that the approval constitutionally required in the Kingdom of the Netherlands has been obtained. Letters have been exchanged on the subject of the right to operate air services to Los Angeles.



## EXCHANGE OF LETTERS

APRIL 3, 1957

DEAR MR. SECRETARY: On behalf of the Government of the Kingdom of the Netherlands I express my disappointment that, in concluding the air transport agreement, it has not been possible at the present moment to include the right to operate air services from the Netherlands to Los Angeles and vice versa by an airline designated by the aforesaid Government.

I want to convey to you the intention of the Government of the Kingdom of the Netherlands to open as soon as possible consultations on the basis of the provisions contained in article XII of the Agreement in order to include the above mentioned route in the schedule of the Agreement.

Please accept, Mr. Secretary, the assurances of my highest consideration.

Sincerely yours,

E. H. VAN DER BEUGEL  
*Under Secretary of State  
for Foreign Affairs*

THE SECRETARY OF STATE,  
*Washington, D. C.*

APRIL 3, 1957

DEAR MR. VAN DER BEUGEL: The Department has noted the disappointment expressed in your letter of April 3, 1957, at the present inability of the United States to grant traffic rights at Los Angeles to the Dutch airline and has noted your intention of requesting at a future date that the United States grant such rights.

As you are aware, the consultation provisions contained in Article 12 of the Agreement are, amongst other things, designed to provide a mechanism by means of which route pattern adjustments may be reviewed on the request of either party to ensure that the agreement, as far as possible, will be mutually satisfactory.

Sincerely yours,

CHRISTIAN A. HERTER  
*Under Secretary of State*

His Excellency

E. H. VAN DER BEUGEL,

*Under Secretary of State for  
Foreign Affairs of the Netherlands.*

May 6, 1957

## TEXT OF AGREEMENT

### AIR TRANSPORT AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE KINGDOM OF THE NETHERLANDS

The Government of the United States of America and the Government of the Kingdom of The Netherlands,

Desiring to conclude an Agreement for the purpose of promoting air communications between their respective territories,

Have accordingly appointed authorized representatives for this purpose, who have agreed as follows:

#### ARTICLE 1

For the purposes of the present Agreement:

(A) The term "aeronautical authorities" shall mean in the case of the United States of America, the Civil Aeronautics Board and any person or agency authorized to perform the functions exercised at the present time by the Civil Aeronautics Board and, in the case of the Kingdom of The Netherlands, any person or agency designated as such by the Government of the Kingdom of The Netherlands.

(B) The term "designated airline" shall mean an airline that one contracting party has notified the other contracting party, in writing, to be the airline which will operate a specific route or routes listed in the Schedule of this Agreement.

(C) The term "territory" in relation to a State shall mean the land areas and territorial waters adjacent thereto under the sovereignty, suzerainty, protection, mandate or trusteeship of that State.

(D) The term "air service" shall mean any scheduled air service performed by aircraft for the public transport of passengers, mail or cargo.

(E) The term "international air service" shall mean an air service which passes through the air space over the territory of more than one State.

(F) The term "stop for non-traffic purposes" shall mean a landing for any purpose other than taking on or discharging passengers, cargo or mail.

#### ARTICLE 2

Each contracting party grants to the other contracting party rights necessary for the conduct of air services by the designated airlines, as follows: the rights of transit, of stops for non-traffic purposes, and of commercial entry and departure for international traffic in passengers, cargo, and mail at the points in its territory named on each of the routes specified in the appropriate paragraph of the Schedule annexed to the present Agreement.

#### ARTICLE 3

Air service on a specified route may be inaugurated by an airline or airlines of one contracting party at any time after that contracting party has designated such airline or airlines for that route and the other contracting party has given the appropriate operating permission.

Such other party shall, subject to Article 4, be bound to give this permission without undue delay, provided that the designated airline or airlines may be required to qualify before the competent aeronautical authorities of that party, under the laws and regulations normally applied by these authorities, before being permitted to engage in the operations contemplated by this Agreement.

#### ARTICLE 4

Each contracting party reserves the right to withhold or revoke the privilege of exercising the rights provided for in Article 3 of this Agreement from an airline designated by the other contracting party in the event that it is not satisfied that substantial ownership and effective control of such airline are vested in nationals of the other contracting party, or in case of failure by such airline to comply with the laws and regulations referred to in Article 5 hereof, or in case of the failure of the airline or the government designating it otherwise to perform its obligations hereunder, or to fulfill the conditions under which the rights are granted in accordance with this Agreement.

#### ARTICLE 5

(A) The laws and regulations of one contracting party relating to the admission to or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft of the airline or airlines designated by the other contracting party, and shall be complied with by such aircraft upon entering or departing from and while within the territory of the first contracting party.

(B) The laws and regulations of one contracting party relating to the admission to or departure from its territory of passengers, crew, or cargo of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs, and quarantine shall be complied with by or on behalf of such passengers, crew or cargo of the other contracting party upon entrance into or departure from, and while within the territory of the first contracting party.

#### ARTICLE 6

Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one contracting party, and still in force, shall be recognized as valid by the other contracting party for the purpose of operating the routes and services provided for in this Agreement, provided that the requirements under which such certificates or licenses were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the Convention on International Civil Aviation. Each contracting party reserves the right, however, to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licenses granted to its own nationals by another State.

#### ARTICLE 7

In order to prevent discriminatory practices and to assure equality of treatment, both contracting parties agree that:

(a) Each of the contracting parties may impose or permit to be imposed just and reasonable charges for the use of public airports and other facilities under its control. Each of the contracting parties agrees, however, that these charges shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.

(b) Fuel, lubricating oils, other consumable technical supplies, spare parts, regular equipment, and stores introduced into the territory of one contracting party by or on behalf of the airline or airlines of the other contracting party or its nationals and intended solely for use by aircraft of such contracting party in international services shall be exempt on a basis of reciprocity from customs duties, excise taxes, inspection fees and other similar national duties, taxes or charges, even though such supplies be used or consumed by such aircraft on flights in that territory. Articles so introduced into the territory of a contracting party shall be kept under customs supervision until required for the use provided for in this paragraph or for re-exportation.

(c) Fuel, lubricating oils, other consumable technical supplies, spare parts, regular equipment, and stores retained on board aircraft of the airlines of one contracting party authorized to operate the routes and services provided for in this Agreement shall, upon arriving in or leaving the territory of the other contracting party, be exempt on a basis of reciprocity from customs duties, inspection fees and other similar national duties or charges, even though such supplies be used or consumed by such aircraft on flights in international services in that territory.

(d) Fuel, lubricating oils, other consumable technical supplies, spare parts, regular equipment, and stores taken on board aircraft of the airlines of one contracting party in the territory of the other and used in international services shall be exempt on a basis of reciprocity from customs duties, excise taxes, inspection fees and other similar national duties, taxes or charges, even though such supplies be used or consumed by such aircraft on flights in that territory.

#### ARTICLE 8

There shall be a fair and equal opportunity for the airlines of each contracting party to operate on any route covered by this Agreement.

#### ARTICLE 9

In the operation by the airlines of either contracting party of the air services described in this Agreement, the interest of the airlines of the other contracting party shall be taken into consideration so as not to affect unduly the services which the latter provides on all or part of the same routes.

#### ARTICLE 10

The air services made available to the public by the airlines operating under this Agreement shall bear a close relationship to the requirements of the public for such services.

It is the understanding of both contracting parties that services provided by a designated airline under the present Agreement shall remain as their primary objective



the provision of capacity adequate to the traffic demands between the country of which such airline is a national and the countries of ultimate destination of the traffic. The right to embark or disembark on such services international traffic destined for and coming from third countries at a point or points on the routes specified in this Agreement shall be applied in accordance with the general principles of orderly development to which both contracting parties subscribe and shall be subject to the general principle that capacity should be related:

(a) to traffic requirements between the country of origin and the countries of ultimate destination of the traffic;

(b) to the requirements of through airline operation; and,

(c) to the traffic requirements of the area through which the airline passes after taking account of local and regional services.

#### ARTICLE 11

Rates to be charged on the routes provided for in this Agreement shall be reasonable, due regard being paid to all relevant factors, such as cost of operation, reasonable profit, and the rates charged by any other carriers, as well as the characteristics of each service, and shall be determined in accordance with the following paragraphs:

(A) The rates to be charged by the airlines of either contracting party between points in the territory of the United States and points in the territory of the Kingdom of The Netherlands referred to in the annexed Schedule shall, consistent with the provisions of the present Agreement, be subject to the approval of the aeronautical authorities of the contracting parties, who shall act in accordance with their obligations under this Agreement, within the limits of their legal powers.

(B) Any rate proposed by an airline of either contracting party shall be filed with the aeronautical authorities of both contracting parties at least thirty (30) days before the proposed date of introduction; provided that this period of thirty (30) days may be reduced in particular cases if so agreed by the aeronautical authorities of each contracting party.

(C) During any period for which the Civil Aeronautics Board of the United States has approved the traffic conference procedures of the International Air Transport Association (hereinafter called IATA), any rate agreements concluded through these procedures and involving United States airlines will be subject to approval of the Board. Rate agreements concluded through this machinery may also be required to be subject to the approval of the aeronautical authorities of the Kingdom of The Netherlands pursuant to the principles enunciated in paragraph (A) above.

(D) The contracting parties agree that the procedure described in paragraphs (E), (F) and (G) of this Article shall apply:

1. If, during the period of the approval by both contracting parties of the IATA traffic conference procedure, either, any specific rate agreement is not approved within a reasonable time by either contracting party, or, a conference of IATA is unable to agree on a rate, or

2. At any time no IATA procedure is applicable, or

3. If either contracting party at any time withdraws or fails to renew its approval of that part of the IATA traffic conference procedure relevant to this Article.

(E) In the event that power is conferred by law upon the aeronautical authorities of the United States to fix fair and economic rates for the transport of persons and property by air on international services and to suspend proposed rates in a manner comparable to that in which the Civil Aeronautics Board at present is empowered to act with respect to such rates for the transport of persons and property by air within the United States, each of the contracting parties shall thereafter exercise its authority in such manner as to prevent any rate or rates proposed by one of its airlines for services from the territory of one contracting party to a point or points in the territory of the other contracting party from becoming effective, if in the judgment of the aeronautical authorities of the contracting party whose airline or airlines is or are proposing such rate, that rate is unfair or uneconomic. If one of the contracting parties on receipt of the notification referred to in paragraph (B) above is dissatisfied with the rate proposed by the airline or airlines of the other contracting party, it shall so notify the other contracting party prior to the expiry of the first fifteen (15) of the thirty (30) days referred to, and the contracting parties shall endeavor to reach agreement on the appropriate rate.

In the event that such agreement is reached, each contracting party will exercise its best efforts to put such rate into effect as regards its airline or airlines.

If agreement has not been reached at the end of the thirty (30) day period referred to in paragraph (B) above, the proposed rate may, unless the aeronautical authorities of the country of the air carrier concerned see fit to suspend its application, go into effect provisionally pending the settlement of any dispute in accordance with the procedure outlined in paragraph (G) below.

(F) Prior to the time when such power may be conferred upon the aeronautical authorities of the United States, if one of the contracting parties is dissatisfied with any rate proposed by the airline or airlines of either contracting party for services from the territory of one contracting party to a point or points in the territory of the other contracting party, it shall so notify the other prior to the expiry of the first fifteen (15) of the thirty (30) day period referred to in paragraph (B) above, and the contracting parties shall endeavor to reach agreement on the appropriate rate.

In the event that such agreement is reached, each contracting party will use its best efforts to cause such agreed rate to be put into effect by its airline or airlines.

It is recognized that if no such agreement can be reached prior to the expiry of such thirty (30) days, the contracting party raising the objection to the rate may take such steps as it may consider necessary to prevent the inauguration or continuation of the service in question at the rate complained of.

(G) When in any case under paragraphs (E) or (F) of this Article the aeronautical authorities of the two contracting parties cannot agree within a reasonable time upon the appropriate rate after consultation initiated by the complaint of one contracting party concerning the

proposed rate or an existing rate of the airline or airlines of the other contracting party, upon the request of either, the terms of Article 13 of this Agreement shall apply.

#### ARTICLE 12

Consultation between the competent authorities of both contracting parties may be requested at any time by either contracting party for the purpose of discussing the interpretation, application, or amendment of the Agreement or Schedule. Such consultation shall begin within a period of sixty (60) days from the date of the receipt of the request by the Department of State of the United States of America or the Ministry of Foreign Affairs of the Kingdom of The Netherlands as the case may be. Should agreement be reached on amendment of the Agreement or its route schedule, such amendment will come into effect upon confirmation by an exchange of diplomatic notes.

#### ARTICLE 13

Except as otherwise provided in this Agreement, any dispute between the contracting parties relative to the interpretation or application of this Agreement which cannot be settled through consultation shall be submitted for an advisory report to a tribunal of three arbitrators, one to be named by each contracting party, and the third to be agreed upon by the two arbitrators so chosen, provided that such third arbitrator shall not be a national of either contracting party. Each of the contracting parties shall designate an arbitrator within two months of the date of delivery by either party to the other party of a diplomatic note requesting arbitration of a dispute; and the third arbitrator shall be agreed upon within one month after such period of two months.

If either of the contracting parties fails to designate its own arbitrator within two months, or if the third arbitrator is not agreed upon within the time limit indicated, either party may request the President of the International Court of Justice to make the necessary appointment or appointments by choosing the arbitrator or arbitrators.

The contracting parties will use their best efforts under the powers available to them to put into effect the opinion expressed in any such advisory report. A moiety of the expenses of the arbitral tribunal shall be borne by each party.

#### ARTICLE 14

This Agreement, all amendments thereto, and contracts connected therewith shall be registered with the International Civil Aviation Organization.

#### ARTICLE 15

If a general multilateral air transport Convention accepted by both contracting parties enters into force, the present Agreement shall be amended so as to conform with the provisions of such Convention.

#### ARTICLE 16

Either of the contracting parties may at any time notify the other of its intention to terminate the present Agreement. Such a notice shall be sent simultaneously to the International Civil Aviation Organization. In the event such communication is made, this Agreement shall termi-

nate one year after the date of its receipt, unless by agreement between the contracting parties the notice of intention to terminate is withdrawn before the expiration of that time. If the other contracting party fails to acknowledge receipt, notice shall be deemed as having been received fourteen days after its receipt by the International Civil Aviation Organization.

#### ARTICLE 17

The present agreement shall be provisionally operative from the date of its signature. After the approval constitutionally required in the Kingdom of The Netherlands has been obtained, the Agreement shall enter into force definitively on the date of receipt by the Government of the United States of America of an appropriate notification from the Government of the Kingdom of The Netherlands.

In witness whereof, the undersigned, being duly authorized by their respective Governments, have signed the present Agreement.

Done in duplicate at Washington this 3rd day of April, 1957.

For the Government of  
the United States of America:  
CHRISTIAN A. HERTER

For the Government of the  
Kingdom of The Netherlands:  
E. H. VAN DER BEUGEL

#### SCHEDULE

1. An airline or airlines designated by the Government of the United States shall be entitled to operate air services on each of the air routes specified via intermediate points, in both directions, to make scheduled landings in the Kingdom of The Netherlands at the points specified in this paragraph:

- a. From the United States via intermediate points to Amsterdam and beyond.
- b. From the United States and/or an airport serving the Canal Zone via intermediate points to Aruba, Curacao, St. Maartens, and Paramaribo and beyond.

2. An airline or airlines designated by the Government of the Kingdom of The Netherlands shall be entitled to operate air services on each of the air routes specified via intermediate points, in both directions, and to make scheduled landings in the United States at the points specified in this paragraph:

- a. The Netherlands via intermediate points in the UK, Ireland, Newfoundland and the Azores to New York.
- b. The Netherlands via intermediate points in the UK, Ireland, Iceland, Greenland, Newfoundland, Azores and Montreal to Houston.
- c. The Netherlands Antilles via the intermediate points Ciudad Trujillo, Port au Prince, Kingston, Montego Bay, Camaguey, Havana, to Miami.
- d. The Netherlands Antilles to New York.

3. Points on any of the specified routes may at the option of the designated airlines be omitted on any or all flights.



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# Bulletin

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THE DEPARTMENT OF STATE

# Bulletin

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*The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.*

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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 19, 1955).

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# The Middle Eastern Policy of the United States

by William M. Rountree

*Assistant Secretary for Near Eastern, South Asian and African Affairs*<sup>1</sup>

I welcome the opportunity to be with you this evening and to discuss the policy of the United States with respect to the Middle East. The topic of your 2-day meeting, "The Middle East and Free World Security," admirably fits the framework within which the United States Government has approached and continues to approach the issues in this area.

Security is a matter of supreme importance, to nations and to peoples, throughout the world. The absence of security provides ground for those fears and suspicions which are the roots of instability. Its presence creates an atmosphere of confidence within which a people can build constructively for the future.

In any discussion of American policies in the Middle East we can properly lay heavy stress on the importance of the United States support for the independence and territorial integrity of each of the countries in the region. In a broad sense their security is our security. If they feel themselves strong and recognize our sincere interest, and the interest of others, in their future, fruitful cooperation on matters of common concern becomes possible. Once effective support for their independence, sovereignty, and integrity is assured, many of the other problems we face together become easier of solution.

In stressing our keen concern for the preservation of the independence of other nations, we seek to make clear the sincere and unselfish nature of that concern. Our interest arises naturally from our own traditions of freedom and independence

and from a deep awareness of the consequences to other nations, to the free world, and to ourselves of the loss of true sovereignty by any nation.

We are, ourselves, dependent upon other nations. We need from them political and moral support. We need also from them material goods for our economy. Our long history of interdependence with the nations of Western Europe illustrates how we can achieve these objectives best through dealing on a basis of respect and equality with free, prosperous, and independent countries. American support for the independence and sovereignty of the nations of the Middle East seeks to create that same kind of strong relationship.

So long as freedom is preserved among the Middle Eastern countries and the historic efforts of Russia to seize control of the area continue unavailing, we can expect to accomplish many other objectives of American policy on the basis of the completely mutual interests between ourselves and the sovereign nations. We can, for example, expect the continued supply throughout the world of the area's mineral resources. Such resources are of value to the states possessing them only if they find markets among the world's consumers. They are of value to us only if our access is assured by friendly, stable, and sovereign governments. We can, similarly, expect the continued availability of transportation and communications facilities in this vital crossroads of the world when these nations are secure in their relationships with us. We can look forward to a continuation of all forms of commercial intercourse with friendly countries on a basis advantageous to them and to ourselves.

There is a myth I have heard in the Middle East

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<sup>1</sup>Address made before the National Academy of Economics and Political Science, Brookings Institution, at Washington, D. C., on Apr. 24 (press release 245).

that the United States seeks to keep the nations in the area undeveloped and thus subservient. This myth, widely circulated by Communists, states that we can only obtain what we want in the way of raw materials and markets if these nations remain poor and undeveloped. Nothing is, of course, farther from the truth. The more these nations rise to their full potentialities of development and to their full stature as sovereign entities, the more fruitful will be our relationship.

I am certain that the great majority of the peoples of the Middle East have the same desire as we for close, friendly, and beneficial relations and for the dignity and recognition that a strong, free nation commands. Yet today, among some of the nations of the area, there is fear and turmoil, suspicion of the West, courting of the Communist East, confusion. Why?

### **Threats to Sovereignty**

The sovereignty and territorial integrity of the nations of the Middle East are threatened by several factors. Each factor creates opportunities for irresponsible exploitation by Communist elements, who seek not stability but the chaotic instability that opens the door to their advances. These factors and their exploitation by the Communists impede also the development of that relationship of mutual interest and common benefit between ourselves and the nations of that area which we strive continually to foster.

Let us begin with nationalism. This is in itself a good thing. True nationalism represents, in fact, the expression of that independence and sovereignty which we seek to support. But the banner of nationalism can be picked up by emotional, xenophobic, and unconstructive elements. In certain disturbed countries, nationalist slogans are used to arouse street mobs and to terrorize many who work in the true interests of their nation.

The extremes of nationalism are fed and stimulated in part by the bitter emotions arising from disputes between and among nations of the area. There are quarrels over boundaries, dynastic differences, and disputes between governments in power in individual nations. Of the many disputes, that between the Arab States and Israel is the deepest and its consequences the gravest. When nations of the area, as do those in the Arab-Israel area, believe their security threatened by

each other, they become less conscious of threats from outside. We work continually, both directly and through the United Nations, to find means by which this dispute in its many ramifications can be moved nearer to a peaceful settlement. Until there is progress in this long, slow struggle to relieve tensions caused by such local disputes, many of the countries will not be in a position to achieve that confident independence which is the basis for a relationship of common interest with other nations of the world. As these disputes continue, so also will the opportunities for those who, for varying ends, seek to perpetuate the state of insecurity and instability which now characterizes some parts of the area.

Much has been heard of the role of colonialism in the present situation in the Middle East. The tragedy today is that much of the good that came from past relationships has been forgotten, while slogans divert attention from the new colonialism of the Soviet Union.

The approach of the Soviet Union and its satellites to the Middle East is irresponsible. The Soviet Union has not worked constructively to seek solutions to many of the problems of the area but has, on many occasions, blocked solutions to serve its own ends. Soviet contributions to the economic progress of the region have been slight. Having few responsibilities, the Soviets can adopt with ease the slogans of popular extremes and assume credit for sentiments spoken, even where actions are not taken. The Soviet actions in Europe and the Far East seem remote to some of the peoples of the area, primarily concerned, as they are, with problems of a more local character. Reports of Soviet activities are often discounted as "imperialist" propaganda. Many heretofore unconvinced, however, are beginning to see the transparency of the Soviet moves.

In enumerating in a general way some of the factors with which we must deal, we do not wish to imply that they are common to all the nations of the Middle East. While some are present in varying degrees in every country, many of the nations, such as those joined together in the Baghdad Pact, are taking active steps to guarantee their independence and security. Iraq has demonstrated in its development program the benefits of establishing confidence and of the wise use of its revenues. Turkey is a staunch ally in NATO and a member of the Baghdad Pact. Pakistan



has demonstrated its appreciation of the meaning of free-world cooperation in both the Baghdad Pact and SEATO. Iran has remained firm in its decision to support collective security. We have established with these nations the type of cooperation for mutual benefit we seek with all free nations.

There are other nations which, for a variety of reasons, prefer not to be alined formally with any group of nations for the purposes of collective security. These nations, such as India and Saudi Arabia, command our respect for their alert safeguarding in other ways of their freedom and integrity. Our greatest concern today lies in that area affected by the Arab-Israel dispute, where many factors threaten the stability and independence of sovereign nations and where emotions arising in a troubled area sometimes dull the awareness of greater threats to their freedom. Even in this area, however, the United States has substantial and valued friends. Indeed, if one undertakes a country-by-country survey of the area, the extent to which the United States enjoys close and mutually beneficial relations with the nations is really impressive.

#### **U.S. Approach to Middle East Problems**

The problems we face are complex, as are the reasons for many of the fears, the suspicions, and the hesitations which now occasionally mark our relationship with Middle Eastern peoples. We have the conviction that our purpose in the area is an honest one, expressing a genuine interest in the long-term welfare and security of the peoples and nations in that region.

We have the advantage that many regard us as a staunch friend. Our philanthropic and religious institutions were among the first from the West to enter the Middle East. Their influence is still felt. As new nations were created in the area, we welcomed them as we are now welcoming those new nations being created in Africa. Our interest today in these countries is founded on an interest we have long held and expressed.

United States policy in the area today approaches burning problems, first, on a basis of impartiality. The United States seeks earnestly to use its influence in the interests of resolving the various disputes within the area. To be effective in the long run, that influence must be exerted from a position of impartiality. We cannot af-

ford to be swayed by the emotional positions and sentiments of any side. Our effectiveness remains only so long as we enjoy the confidence of all sides—even though we may disappoint many by not supporting their position.

We approach these problems, too, on a firm basis of principle. We seek a world where international law is respected and defined. The events of last October demonstrated conclusively to the peoples of the area our dedication to the principles of the United Nations Charter. As Secretary of State Dulles said to the Associated Press luncheon last Monday:<sup>2</sup>

Our dedication to the principles of the United Nations Charter was severely tested by the recent Middle East crisis. We were then faced with a distressing and unprecedented conflict of loyalties. Historic ties would have led us to acquiesce in the forcible action that was begun. But this would have involved disloyalty to the United Nations undertaking that all members renounce the use of force except in defense against armed attack. That same pledge is also embodied in all our treaties of alliance. We decided to be loyal to that commitment.

We seek, too, the strengthening of those international organs which have been created to consider and resolve disputes among nations. We have worked closely with and through the United Nations in many of the most critical problems of the area, particularly those related to the Suez Canal and the Arab-Israel dispute. In our view the charter of the United Nations prescribes not only the means for a peaceful settlement of disputes but also for settlement in conformity with justice and international law.

We have also worked through the United Nations in meeting the serious situation created by the Arab refugees from Palestine. Substantial United States financial support has been given through the United Nations Relief and Works Agency to maintain these people. In so doing we give concrete evidence of our concern over this problem and our support for the activities of the United Nations.

Working directly to lessen the consequences of disputes and to seek settlements where this can effectively be done is, of course, only a part of our policy. An important part is that which seeks to build constructively, on the basis of mutual respect and interest, strong economies and defenses in the free nations of the Middle East.

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<sup>2</sup> BULLETIN of May 6, 1957, p. 715.

Our economic assistance programs in most of the area have been relatively modest in size, yet throughout the region there is testimony to their effectiveness. In some cases, that effectiveness can be measured in substantial U.S. contributions to the economic development of the country as a whole. In other cases, the United States has supplied a technical element required to support development programs financed almost wholly by the local country. The impact cannot always be measured on a national scale, but the impact of the programs is known to be substantial.

Economic development can only proceed where there is an element of security and a freedom from fear of external or internal threats. We have sought to build that element of security through military assistance to those countries primarily threatened by the Soviet menace. The United States has not formally adhered to the Baghdad Pact, but it has indicated its firm support through membership in the various committees of the pact and through declarations stressing our belief in the principles of collective security. On November 29, 1956, for example, the Department said, referring to the Baghdad Pact nations:<sup>3</sup>

The United States reaffirms its support for the collective efforts of these nations to maintain their independence. A threat to the territorial integrity or political independence of the members would be viewed by the United States with the utmost gravity.

### The American Doctrine

More recently, the President proposed and Congress passed the joint resolution<sup>4</sup> which forms the basis of what has come to be known as the American Doctrine. In this the United States seeks to define its clear interest in the preservation of the independence and integrity of the nations of the area in the face of threats from within and without posed by international communism. It seeks, further, to provide a basis on which economic and military assistance can be used to meet immediate

threats arising out of Communist activities and to provide authority under which the President could, when requested by nations of the area, commit United States forces to defend against Communist aggression. The President summed up his purposes in his message to Congress on January 5:<sup>5</sup>

The policy which I outline involves certain burdens and indeed risks for the United States. Those who covet the area will not like what is proposed. Already, they are grossly distorting our purpose. However, before this Americans have seen our nation's vital interests and human freedom in jeopardy, and their fortitude and resolution have been equal to the crisis, regardless of hostile distortion of our words, motives and actions. . . .

The occasion has come for us to manifest again our national unity in support of freedom and to show our deep respect for the rights and independence of every nation—however great, however small. We seek not violence, but peace. To this purpose we must now devote our energies, our determination, ourselves.

Ambassador James Richards is currently on what has been to this point a highly successful tour of the Middle East, explaining this doctrine and discussing aspects of it with leaders of each government.<sup>6</sup> His trip alone has served as strong evidence of the interest of the United States in the area and has given strength to those who share with us concern at the inroads of international communism.

No one of these aspects of our policy represents the total policy. Our total policy has a basic objective of supporting the independence and territorial integrity of the nations in the region in order that they may develop internally, stand strong in the face of threatened aggression, and cooperate with us on the basis of equality and respect. We believe such nations provide the key to peace.

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<sup>5</sup> *Ibid.*, Jan. 21, 1957, p. 83.

<sup>6</sup> For a Department announcement of an interim report on Ambassador Richards' mission to the Middle East, together with texts of joint communiques issued following his visits in eight countries, see *ibid.*, May 6, 1957, p. 724. For texts of subsequent joint communiques, see p. 763.

<sup>3</sup> *Ibid.*, Dec. 10, 1956, p. 918.

<sup>4</sup> For text, see *ibid.*, Mar. 25, 1957, p. 481.



## Iran: An Appreciation

by Selden Chapin  
Ambassador to Iran<sup>1</sup>

Several years ago the British magazine *Punch* published an acid little cartoon that I have since found occasion to recall from time to time. The cartoon depicted two old soldiers sitting morosely in their club reading the *London Times*. One of them was saying, "I see that the Americans have taken umbrage," to which his companion replied, "Gad, Sir! Where's that?"

I suppose these fine, fierce old gentlemen assumed that the sun was setting on another outpost of empire. It may even be that they thought "Umbrage" the ancient name for Iran.

I hasten to say that, as far as I know, it is not, nor has the United States made any effort to "take" Iran. The cartoon does, however, state a common misconception, and I mention it for that reason.

Not only in London clubrooms but in Asian villages a certain number of people appear to believe that one of the objectives of United States foreign policy is to substitute American for European influence throughout the world. In the case of Iran I think that this misconception, which at one time enjoyed great currency, particularly among intellectuals, is steadily vanishing. The happy day may eventually arrive when United States foreign policy will be regarded on its merits and not as a substitute for something else.

There are good reasons, I think, for Iran's growing awareness of the purpose behind our policies. One of the most apparent reasons is that Iran-American cooperation has produced tangible benefits to both countries and has strengthened, not weakened, Iranian sovereignty. Some of these

mutual benefits I shall refer to presently in more detail.

### History of Iran

Another reason grows out of Iran's long and eventful history. After the brilliant and creative years of the great Persian dynasties, years of enormous religious, military, and cultural achievement, there came a long period of decline in Persian influence. After the fall of the Safavid dynasty in the 18th century this decline was rapidly accelerated. As Persian authority diminished abroad, foreign authority increased at home. Ottoman Turkish influence, which had been dominant during the Safavid period, came into conflict with the interests of the European powers, who were anxious to contain the imperial growth of the Ottoman Turks. By the time of the Napoleonic Wars Persia found itself under varying degrees of pressure from the French, the English, the Russians, and the Germans. It was a precarious position that was to endure for many years.

Napoleon conceived of the Persians as a useful ally against Russia and in his long-planned march to India. Accordingly, he engaged in extensive correspondence with the Persian ruler, Fath Ali Shah, and in 1807 a treaty was concluded between France and Persia under the terms of which Napoleon agreed to furnish military equipment and instruction to the Persians. William S. Haas in his book, *Iran*, published in 1946 by Columbia University, quotes a characteristic excerpt from the Shah's correspondence with Napoleon:

Every word in the noble lines is like a drop of amber on pure camphor or like the perfumed curls on the rosy cheeks of a beloved with a bosom of lilies . . . the amber

<sup>1</sup> Address made before the Foreign Affairs Council at New York, N. Y., on Apr. 24.

scent of the gracious document has embalmed the alcove of our souls so susceptible to friendship and has perfumed with musk the secret chamber of our hearts filled with justice and loyalty.

Be that as it may, Mr. Haas notes that the Franco-Persian alliance came to nought. Napoleon was within a decade of Waterloo, and Persia was to continue for more than a hundred years seeking a balance between opposing forces.

The Persians are a subtle and intelligent people, and there is no more striking testimony to this fact than Persia's traditional skill in effecting a balance of power among stronger states. But the game has its drawbacks, however skillfully played. The slightest dislocation in the balance can bring disaster. Ancient Persia suffered invasion from Alexander, the Arabs, Genghis Khan, and Tamerlane. Modern Iran was a battlefield for British, Russian, and Turkish troops in World War I and suffered occupation in World War II. The cost to the Iranian people in terms of their national pride has been excessive and goes far to explain Iran's national personality today.

The playwright, George S. Kaufman, is credited with remarking, "One man's Mede is another man's Persian." The Iranians are, of course, the descendants of both. Persian history has been made not only by warriors but also by poets, scientists, and philosophers. Nowhere in the world is intellectual and artistic achievement more honored than in Iran. There is a graceful charm that seems characteristic of the Iranian temperament. I have also heard it called poetic or mystic. In any event it sharply distinguishes the Iranians from their practical and hardheaded neighbors, the Turks, and from the brooding melancholy of their other near-neighbors, the Russians. Iranians are quick-witted, warm, and somewhat skeptical. The hard times that Iran has experienced, the long period of eclipse, have caused some Iranians to cling to past glories rather than face an uncertain future.

The present Shah's father, Reza Shah, sought to modernize Iran in much the same way that Kemal Ataturk reshaped the character of Turkey. That Reza Shah was somewhat less successful may only mean that his task was more formidable. His son, Reza Shah Pahlavi, who has succeeded his father in this challenging task, may yet bring changes to Iran of a more permanent and constructive nature.

## New Concept of Foreign Policy

All of this will require time, dedication, and infinite wisdom. National assumptions, once established, are as durable as crab grass and just as hard to uproot. But as nations grow and pass from one phase to another, the mentality of the people must change with the times. The United States has seen many of its own assumptions modified in the past decade. Our years of splendid isolation are gone beyond recall, and we have been forced to assume responsibilities abroad that we never sought. The choice for Iran is no less difficult. Having survived so long by the judicious arrangement of countervailing alliances, it has required real courage for Iran to abandon the traditional assumptions of Persian diplomacy and take a forthright stand with the free world.

Iran's membership in the Baghdad Pact is tangible evidence that a new concept of Iranian foreign policy is emerging. It is, I believe, a wiser and more realistic concept than the old one. It promises greater benefits to Iran and to the Iranian people. But we should recognize that Iran's decision has not been an easy one. In the difficult years that lie ahead the United States will doubtless find both the need and the opportunity to assure Iran of the wisdom of its new course.

In significant respects we have already done so. Since 1949 the United States has extended approximately \$280 million worth of economic, technical, and military assistance. But I mean something more than our aid programs, important though they are. I mean that the United States has shown that it respects Iran's sovereign independence and expects others to do so. Furthermore, we have supported Iran's sovereignty abroad without challenging it at home. Iranians are understandably sensitive to implications of interference in their internal affairs. It is a sensitivity born of unhappy experience. Iranians appreciate our economic aid and the support that we have given them in international affairs, but I think they respect equally the fact that we have not sought political concessions in exchange for our aid. This, it seems to me, provides the best assurance that our interest in Iran will continue to be understood and trusted by the Iranian people.

Our concern for Iran since the war was fore-



shadowed in the Tehran Declaration of 1943, signed by Roosevelt, Churchill, and Stalin at the conclusion of the Tehran Big Three Conference. In that document the three powers made the following pledge:

With respect to the post-war period, the Governments of the United States, the U.S.S.R., and the United Kingdom are in accord with the Government of Iran that any economic problem confronting Iran at the close of hostilities should receive full consideration, along with those of other members of the United Nations, by conferences or international agencies held or created to deal with international economic matters.

The Tehran Declaration added that the three powers were "at one with the Government of Iran in their desire for the maintenance of the independence, sovereignty and territorial integrity of Iran."

We know that within little more than 2 years the Soviet Union had already broken its pledge by refusing to evacuate Soviet military forces from the northern provinces of Iran. The Azerbaijan crisis of the winter of 1945-46, in which the United States strongly supported Iran's complaint to the Security Council, put the United Nations to its first important test. The eventual withdrawal of Soviet forces was a victory not only for Iran but for the U.N.

### The Oil Crisis

The ensuing period was not, however, a stable one. Intense feelings of Iranian nationalism were seeking release. They found it, in March 1951, in the nationalization of Iranian oil. I shall not retrace the tangled course of the oil problem. Those were somber days for Iran and its friends. The singular figure of Dr. [Mohammad] Mosadeq dominated the news from Iran, and in January 1952 *Time* magazine selected him Man of the Year over the caption, "He greased the wheels of chaos." Iranian oil production came to a virtual standstill, diplomatic relations with Britain were broken, and conditions within Iran steadily deteriorated.

The Soviet Union, whose predatory ambitions had been rebuffed in 1946, sought to make the most of Iran's problems. The Communist Tudeh Party, which had been outlawed in Iran in 1949, increased its strength and organization. Cleverly, international communism remained in the background at first, pushing forward the more

extreme left-wing, which proceeded, step by step, to eliminate the influence of constructive Iranian nationalists.

By the spring of 1951 it had become clear that, if Iran was to be saved from foreign Communist domination, urgent assistance would have to be given. The United States strengthened its military and gendarmerie assistance and training missions, which had already been operating in Iran for several years, and allocated special economic and technical aid to help the Iranians stave off collapse. It was apparent, however, that no lasting solution of Iran's economic problems would be possible without a settlement of the oil problem. American diplomacy concentrated its efforts toward that end. It was during this period that Secretary Dulles appointed Herbert Hoover, Jr., as his Special Assistant to work on the oil problem. The efforts of Mr. Hoover and Loy Henderson, then American Ambassador in Tehran, were vitally important to the final settlement of the dispute.

Meanwhile Communist pressure on Dr. Mosadeq was intensified. The Communists and extreme nationalists were determined to obstruct a fair settlement. In March 1953, after a series of arduous and complicated negotiations between the Iranian Government and our Embassy, the Mosadeq government, under pressure from the extremists, rejected proposals which were of a most reasonable nature. Clearly the Mosadeq government was unwilling or unable to accept equitable terms for a settlement. Iran's political situation was bad. The economic situation was growing worse. Dr. Mosadeq had to obtain foreign budgetary aid or face national bankruptcy.

In May 1953 he sent a letter to President Eisenhower in which he intimated that, if the United States could not give Iran budgetary aid at once, Iran might be compelled to turn elsewhere, presumably to the Soviet Union. The President in his reply indicated that, so long as Iran was not prepared to do its utmost to exploit its own natural resources, it could not expect budgetary aid from the United States.<sup>2</sup>

Events rapidly approached a climax. Iran was at the crossroads. It must either find a solution

<sup>2</sup> For text of the exchange of letters, see BULLETIN of July 20, 1953, p. 74.

to the oil problem or risk total collapse. The Shah moved to dismiss Dr. Mosadeq, but the extreme nationalists, spurred on by the Communists, openly defied the Shah. In the hot days of mid-August 1953, the showdown occurred. The Shah's supporters rallied to unseat the extremists. A new government under General [Fazlollah] Zahedi was installed and promptly set to work repairing the damage of the previous 2 years. The United States, in response to an urgent plea from the Prime Minister, extended \$45 million in emergency aid to Iran in September 1953 to assist the Zahedi government through its immediate difficulties.<sup>3</sup>

A year later, in August 1954, an agreement was signed between the Iranian Government and an international consortium, initially formed by eight oil companies, which restored the flow of Iran's oil to world markets and the flow of oil revenues to the Iranian treasury.<sup>4</sup> The United States was instrumental in bringing this agreement about, and it has proved a profitable one for Iran. Just how profitable may be inferred from the fact that Iran's share of oil revenues last year approximately tripled the amount received by Iran during its best year under the old agreement.

There are two conclusions that I would like to draw from this summary of Iran's postwar problems and the solutions eventually achieved. The first is that the oil settlement provides a striking example of the ability of the United States to bridge differences between our traditional allies in Europe and the emerging nations of Asia. In the negotiations between the consortium and Iran we sought neither to supplant the British nor to stand aloof. Instead we agreed to share with the interested parties the responsibility for reaching an equitable agreement. The present composition of the consortium reflects this fact, 40 percent of the shares being British, 40 percent American, 15 percent Dutch, and 5 percent French. Our willingness to assume a fair share of the responsibility—and the risk—in reaching accommodations between the European powers and Iran is, in my view, the key to our role there and distinguishes it from that of a mere go-between or broker. United

States influence in the oil negotiations became decisive only as the United States became ready to commit its prestige to a settlement. The result was a settlement that serves the legitimate interests both of Iran and the consortium members.

### The Role of the Soviet Union

My second conclusion relates to the role of the Soviet Union, whose relations with Iran could almost be said to constitute a laboratory sample of Soviet foreign policy in the postwar period. In one of Evelyn Waugh's novels, a satire on the newspaper business called *Scoop*, a young foreign correspondent is ushered into the austere presence of his employer, the publisher of an aggressively conservative newspaper called *The Beast*. The young man is anxious to know the paper's foreign policy. The publisher, with a growl, informs him that, "*The Beast* stands for strong, mutually antagonistic governments everywhere."

The Soviet Union, I should say, stands for *weak*, mutually antagonistic governments everywhere, and nowhere are they more interested in weak governments than in neighboring countries like Iran. Moscow has employed a wide variety of tactics to weaken Iran, ranging from outright occupation of Iranian territory in Azerbaijan to organized subversion through the Tudeh Party. Soviet spokesmen tried to threaten the Iranians when Iran joined the Baghdad Pact and to flatter them when the Shah visited Moscow.

By this time I think that the Iranians are well conditioned to these sudden fluctuations in the Soviet barometer. The Shah has provided especially effective leadership in developing and maintaining a realistic Iranian policy toward the Soviet Union. He has consistently affirmed that Iran has no aggressive intentions toward the Soviets while making clear that Iran will not permit itself to be pushed around by the Russians. The Shah's trip to the Soviet Union last fall is a case in point. Some observers believed that the trip would prove to be a mistake and that the Soviets would embarrass or compromise the Shah during his visit. They were wrong. The Shah handled his trip with great skill and dignity. He demonstrated that leaders of the free world need not travel to Moscow with hat in hand, paying hypocritical compliments to Caspian caviar and the Moscow subway.

<sup>3</sup> *Ibid.*, Sept. 14, 1953, p. 349.

<sup>4</sup> For messages and statements concerning this agreement, see *ibid.*, Aug. 16, 1954, p. 230.



**U.S. Support for Iran**

I have said that the United States during the oil controversy provided a bridge between the interests of Europe and Iran. What can we do to assist Iran is resisting Soviet pressure? The answer is threefold. In the first place, we can continue to give Iran strong support, both public and private, against this overt foreign pressure. Our most recent enunciation of such support has, of course, been through the Eisenhower Doctrine. In the second place, we can continue to assist Iran in strengthening its own internal position against organized Communist subversion. The United States military and gendarmerie assistance missions, working in close cooperation with the Iranian authorities, are doing an effective job in this field. In the third place, we can help the Iranians achieve steady economic and social progress so that basic grievances which the Communists seek to exploit will be eradicated once and for all. In this area our programs of economic and technical assistance have made important contributions.

I would emphasize that these three types of assistance are only effective when they are truly cooperative and when they supplement the efforts of the Iranians themselves. The United States has no wish to do for Iran what that country can do better for itself. The resources of Iran are great, and I mean not only natural resources like oil but also human resources, the intellectual fiber and aptitude of the Iranian people and the foresight of their leaders. The Shah and his recent Prime Minister, Mr. Hosein Ala, are well and favorably known in the United States. I am confident that the new Prime Minister, Dr. Manuchehr Eqbal, who visited this country a year ago and who is a vigorous and forceful personality, will add greatly to the record of constructive achievement of the past 3 years.

There is a Persian proverb that says, "The stream of renovation flows quickly toward the East." In my remarks to you this evening I have tried to show how swiftly the stream of renovation is beginning to flow through Iran. Out of the long and intricate Persian past, new concepts and new assumptions are emerging. Iran is in process of creating nothing less than a new national tradition. Not only Iran's progress, but its very survival, depends on the firm establishment of that tradition, which Iran's northern neighbor, the

Soviet Union, is determined to frustrate. The United States, for its part, intends to assist the Iranian people in realizing their goal of unassailable independence and prosperity. We are doing so by extending Iran both diplomatic and material support. The results of our close friendship and cooperation are highly encouraging and should be a source of satisfaction, though not complacency, for both Iran and the United States. Iran's future promises great achievements which may yet surpass the events and discoveries of a brilliant past.

**Ambassador Richards' Mission to the Middle East**

*Following is a press statement issued at the conclusion of Ambassador James P. Richards' visit to Yemen, together with the texts of the joint communiques issued following his visits to Ethiopia and the Sudan.<sup>1</sup>*

**Press Statement, Sana'a, Yemen, April 15**

Press release 235 dated April 23

I have just completed a very useful and interesting 4-day [April 11-15] visit to Yemen, during which I held talks with the Imam, the Crown Prince, and other Yemeni officials.

My talks were held in a friendly spirit which I believe resulted in increased understanding of President Eisenhower's policy for the Middle East. The talks, I believe, will promote even closer relations between Yemen and the United States in the future.

My visit did not result in the initiation of an aid program for Yemen. I am, however, recommending that further discussions toward this end should be held at the appropriate time.

**Ethiopia Joint Communique**

ADDIS ABABA, ETHIOPIA  
*April 18, 1957*

Press release 236 dated April 23

At the invitation of His Imperial Majesty's Government, Ambassador James P. Richards,

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<sup>1</sup>For an announcement of an interim report on Ambassador Richards' mission to the Middle East, together with texts of joint communiques and press statements issued prior to the visits to Ethiopia, the Sudan, and Yemen, see BULLETIN of May 6, 1957, p. 724.

Special Representative of the President of the United States, visited Addis Ababa from the 15th to the 18th of April, 1957. In the course of audiences granted by His Imperial Majesty, cordial and useful talks were had in regard to matters of common interest. Discussions were, subsequently, pursued with the Minister for Foreign Affairs.

Ambassador Richards explained the new policy of the United States toward the general area of the Middle East. He stated the conviction of the American Government that the peoples of the Middle Eastern area and the people of America have a common interest in their joint efforts to preserve liberty and freedom through the maintenance of security against international communism.

Ambassador Richards emphasized that it is the policy of the President of the United States and the American Government, if necessary and if requested, to use the armed forces of the United States to help any nation in the area that may be subjected to armed attacks by a country under the control of international communism.

Ambassador Richards made it clear that the United States Middle East policy does not seek to establish any sphere of influence or fill any power vacuum in the region, nor does it aim at securing military bases. The policy is solely designed to strengthen the nations of the area so that they can maintain their independence and territorial integrity.

The Ethiopian Government explained in full to Ambassador Richards its policies in regard to the problems discussed and gave its cordial support to the American doctrine, stressing the importance of close collaboration between the countries of the general area of the Middle East. In behalf of the President of the United States, Ambassador Richards welcomed the recognition of the continuing common interest in resisting the threat of international communism and the establishment of their understanding of the broad identity of interests existing between the two countries.

There was complete agreement on the opposi-

tion of both governments to aggression from any source and their determination to use all legitimate means to prevent it.

The discussions further demonstrated that the Governments of Ethiopia and the United States are anxious to work together to the end that the following principles shall prevail in international relations:

1. Respect for the sovereign equality of all nations under the charter of the United Nations;
2. Protection of the right of all nations to choose their own form of government without interference;
3. Nonintervention and noninterference in the internal affairs of one state by another;
4. Recognition of the interdependence of nations and the obligation of nations to respect the just rights and interests of other states.

The Ethiopian Government discussed with Ambassador Richards the possibilities of economic and military assistance under the American doctrine. He has agreed to provide certain assistance in both fields. This will be in addition to other assistance previously agreed upon.

#### **Sudan Joint Communiqué**

KHARTOUM, SUDAN

*April 22, 1957*

Press release 233 dated April 22

On the invitation of the Government of the Republic of the Sudan, Ambassador James P. Richards, Special Representative of the President of the United States, visited Khartoum from April 20 to 22.

In friendly discussions with the Prime Minister, the Minister of Foreign Affairs, and other representatives of the Sudan Cabinet, he explained the character and purposes of United States policy toward the Middle East as recently set forth by President Eisenhower and exchanged views regarding this policy. The Sudan Government welcomed the clarification provided by Ambassador Richards, and it was agreed that the matter would be given further study.



# Secretary Dulles' News Conference of April 23

Press release 237 dated April 23

*Secretary Dulles:* I will be glad to hear questions.

*Q. Mr. Secretary, does the United States have any plans to report on the Suez Canal negotiations to the Security Council perhaps this week? And could you tell us what, if any, progress you believe has been made in the lengthy talks that Ambassador Hare has been having with the Egyptian Government?*

A. We have been having discussions with the Egyptian Government, at its invitation, about the regime which will apply to the operation of the Suez Canal. Those have been going on for about a month. And, also, during this same period the Secretary-General of the United Nations has been having talks on the same topic. Now that the canal is generally open for traffic, it seems to us that there should be more general public knowledge. In view of the fact that last October the Security Council laid down what it calls six principles<sup>1</sup> or requirements, and in view of the fact that the Security Council remains seized of the matter, as a result of the proposal which I then made, it does seem to us appropriate that there should be an early report made to the Security Council and perhaps through the Security Council to the world.

You asked a second question, I think, as to what progress has been made. That question I cannot answer because we do not yet know what the final decisions of the Egyptian Government will be with respect to certain aspects of this matter and what the declaration of the Egyptian Government, when made, will contain.<sup>2</sup> I don't know at the present time; therefore, I can't appraise the result.

*Q. Mr. Secretary, do you expect that this an-*

*nouncement will be made from Cairo within 48 hours, which is one report this morning?*

A. I have no official information to guide me in that respect at all.

*Q. Does the plan, as you understand it, now embrace any or all of the six operating principles approved by the Security Council in October?*

A. As I say, I can't answer those questions, because, while we have had a rather full exchange of views with the Egyptian Government on these matters, we do not yet know, and will not know until the declaration is made, to what extent our point of view will be taken account of.

*Q. Do you expect to take the issue to the Security Council tomorrow or Thursday perhaps?*

A. Possibly, although we are waiting on advices from Ambassador Hare. And I wouldn't like to use the word "issue"—it is merely keeping the Security Council informed.

*Q. Mr. Secretary, does that mean that no action will be sought in the Security Council and that it will be merely a report to the Security Council?*

A. That's my thought as to the way it would probably be handled. Of course, I can't assume the responsibility for what other countries may do. But I would not think it was appropriate at this time to take the matter to the Council in a controversial way.

*Q. In the meantime, Mr. Secretary, do we have any objections if American ships go through the canal? The reason I ask is that one ship is reported approaching the canal and will be in a position to start its voyage through by Thursday.*

A. No, we have no objection. Our position in the matter remains as it was announced, I think, some 10 days or 2 weeks ago, where we made a declaration. I think, or statement of advice, to the shipping companies, which I think referred to the use of prudence because of the certain difficulties

<sup>1</sup> For text, see BULLETIN of Oct. 22, 1956, p. 616.  
<sup>2</sup> For text of Egyptian declaration transmitted to the U.N. Secretary-General on Apr. 24, see p. 776.

that still existed. We have not changed that guidance. Of course, you will recall that they are under instructions to pay the Egyptian authority only under protest because of the fact that there may be conflicting claims made by the old Universal Suez Canal Company.

*Q. Would they be exercising prudence now if they went through the canal? (Laughter)*

A. Well, I don't know. I think that is a judgment that each shipowner, shipmaster, or owner of the company, will have to decide for himself—how prudent it is. One of the dangers that we foresaw at that time was the danger that there might still be obstructions to navigation. I assume that that danger is somewhat diminished by the fact that a good deal of traffic has already gone through without any untoward incidents. But that does not necessarily prove that the danger is entirely over.

*Q. Mr. Secretary, if Egypt rejects the U.N. six points, which they originally agreed to, what is the next move from our viewpoint?*

A. Well, I prefer not to engage in speculation on that point, because we do not know to what extent, if at all, the Egyptian declaration will reject the six principles.

#### **U.S. Views on Liberation of Satellites**

*Q. Mr. Secretary, presumably the subject of liberation of the satellites strikes the Soviets at one of their rawest nerves, yet you chose to add new point to the subject yesterday. Could you tell us the significance of this timing? Does this mean that something has been going on within the Soviet Union that makes the Russians sensitive to outside pressure of this kind?*

A. We have constantly emphasized our view about the liberation of the satellites for a long time, and in any general review of our basic foreign policy considerations I think that would have to be included. You may recall that we have never, out of deference to Soviet feelings, hidden our views about that subject. President Eisenhower brought it up at the Summit Conference. That was a conference which was supposed to lead to the improvement of our relations. But we made it perfectly clear there—President Eisenhower made it clear—that freedom of these cap-

tive nations was in our opinion essential, both from the standpoint of better relations between our two countries and from the standpoint of peace. And that theme has been repeated again and again. I don't think the President has made any major speech on foreign policy since then when he hasn't brought the subject up. And, indeed, to make a review of our basic policy considerations and not to bring that up would itself be a significant step backward.

*Q. Mr. Secretary, there seems to be a feeling in Moscow that the climate is more favorable now for another East-West conference, possibly at the diplomatic level. What would your feelings be on that line?*

A. Well, I think a good deal depends upon what the Soviets themselves are prepared to do in relation to such matters as disarmament, the treatment of the satellites, the reunification of Germany. I don't know what is in their minds. If they are prepared to move forward along these fronts, we would welcome that very much; but if the only purpose is to seek an opportunity for a new propaganda drive, then we wouldn't be very enthusiastic about it.

*Q. Mr. Secretary, at the Bermuda conference, Mr. Macmillan presented a memorandum on the British position on the U.S. wool import tariff quota. Is the State Department going to take any action on this, such as favoring a lighter quota in the trade agreements committee?*

A. Well, he may have presented a memorandum on the subject, but it escapes my notice. That doesn't mean that he didn't do it, or that it is not important, but I just don't remember about it at the moment.

*Q. Mr. Secretary, in connection with the Japanese Prime Minister's forthcoming visit to this country, there has been a renewed agitation in Japan for the return of Okinawa and the other Ryukyus to Japan. You have told us before that this could not be done until there was no tension in the Far East. Is the U.S. position still the same?*

A. Yes. We agreed with the Japanese at the time that those positions were important to be held until there was an assurance of stability and peace in the Far East, in the Pacific area. I do



not think that it can be said that there has been any such change in that sense as would justify a reconsideration of that matter at the present time. Now, as you know, we have never ourselves sought to acquire the ultimate sovereignty of those islands. That remains with Japan, and we do not look upon this arrangement as a permanent arrangement. We do believe, and I think the Japanese would agree, that nothing should be done there which would so weaken the defensive posture of the free countries as would encourage an aggressive move on the part of the Communists.

#### Disarmament Talks

*Q. Mr. Secretary, can you possibly, sir, expand on the very brief description of our disarmament talks in London as being the most serious negotiations we have had to date.<sup>3</sup> Does that mean that there has been any breakthrough of any kind, sir, or could you expand on it at all?*

A. Well, they seemed to us to be the most serious in the sense that the Soviet representatives had indulged less in public propaganda in connection with these discussions and have had more talks of a quiet, sober character, which have not been pushed into print in some distorted way. We infer from that that they may be more serious than they have been heretofore. I indicated in my talk yesterday<sup>4</sup> that we do look forward to possibly moving ahead by careful steps, carefully chosen and carefully safeguarded. I think a great deal will depend upon the new instructions that their representative, Mr. Zorin, brings back with him from Moscow when he returns tomorrow for the resumption of the talks in London.

*Q. Mr. Secretary, in your speech yesterday you said the world is divided into two parts, one despotism and the other free, and that there is no safe middle ground. Now, do you mean that there can be no neutralism?*

A. I think I said that it was divided between a world of despotism and a world of nations which were free because they accepted the implications of interdependence. And I went on to point out that I felt that a nation which rejected the implications of interdependence would not for long remain free, because only as the free nations help

each other in various ways, through collective defense, through economic ties, and the like, do they have the strength to resist the threat that comes from international communism. I referred to the fact that there had been a period when nations pretty much stood alone, during which period the Soviet Communists had stolen the independence of no less than 12 other nations, and I do not think that nations which try to stand absolutely alone are safe. Now, I was not speaking of—I didn't use the phrase—"neutralism" because, as I have said before, "neutralism" is a word which has so many connotations that it is extremely difficult to use the word without being misunderstood in one quarter or another. I think I used the phrase "accepting the concept of interdependence," and I think that that is perhaps a better way to put it.

*Q. Is Governor Stassen going back to London with new ideas or new instructions?*

A. No. There has been no effort to provide new instructions because we believe that the instructions which he has are already adequate to deal with the situation insofar as it has developed to date. There could be new developments which would call for new instructions, but again we cannot tell that until we know what the attitude is of the Soviet representative when he returns.

*Q. Are we waiting for Mr. Zorin to come back with new ideas and new instructions?*

A. Well, we are waiting to see whether the instructions which Mr. Stassen now has, and which are quite comprehensive and quite flexible, are or are not adequate to deal with the situation which may be presented by Mr. Zorin.

*Q. Mr. Secretary, would you give us your estimate as to why the Soviet Government has chosen this particular time to make public its correspondence between Bulganin and Mr. Mollet—the pre-October 29th correspondence?*

A. No, I can't say why they chose this time. I would guess that they felt it would have perhaps some useful propaganda effect in the Middle East.

*Q. Mr. Secretary, there was an interview with the new Prime Minister of Jordan today, in which he stated that he did not want Ambassador Richards to visit the country at this particular time. Has Mr. Richards received any instructions to that effect?*

<sup>3</sup> See p. 772.

<sup>4</sup> BULLETIN of May 6, 1957, p. 715.

A. No. We are in daily communication with Ambassador Richards on the subject of the balance of his program, and no conclusions have been reached at this time. Naturally, he is not going to go to any country where he is not welcome.

*Q. Mr. Secretary, following up that question just a little bit, the Government of Jordan seems to be in imminent danger of falling under the more direct influence of Cairo or Moscow, or both. Could you clarify your understanding of the situation for us? And do you think, getting back to the subject of interdependence, that it would help or hinder the situation if they embraced the Eisenhower Doctrine now—meaning the Jordanians?*

A. The Eisenhower Doctrine is perhaps nothing that is sufficiently tangible to be “embraced,” you might say. (Laughter) It is an attitude, a point of view, a state of mind. We have great confidence in and regard for King Hussein, because we really believe that he is striving to maintain the independence of his country in the face of very great difficulties and he does not want to see Jordan fall under the domination of other countries which have indicated a desire to work contrary to what the King considers to be the best interests of his country. It is our desire to hold up the hands of King Hussein in these matters to the extent that he thinks that we can be helpful. He is the judge of that. I think perhaps that covers the question adequately.<sup>5</sup>

*Q. Mr. Secretary, in your speech yesterday you made no mention whatever of Communist China. Did you consider that Communist China was included in your reference to the satellite countries,*

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<sup>5</sup> At a news conference at Augusta, Ga., on Apr. 24, James C. Hagerty, Press Secretary to the President, said that he had been authorized to say that both the President and the Secretary of State regarded the independence and integrity of Jordan as vital. On Apr. 25, Lincoln White, Acting Chief of the News Division, Department of State, told news correspondents: “I can only say with respect to Jordan that the statement issued in Augusta yesterday afternoon represented a reminder to the world by the President that a finding had been made in the Joint Resolution of the Congress on the Middle East that the preservation of the independence and integrity of the nations of the Middle East was vital to the national interest of the United States and to world peace. This reminder was appropriate because of the threat to the independence and integrity of Jordan by international communism as King Hussein himself stated.”

*or do you see another relationship between Moscow and Peiping?*

A. I doubt that Communist China is a satellite country in the same sense, or the same degree, that the Eastern European satellites are. I would say that there is perhaps this difference: I think that both the Soviet Union and Communist China are under the domination of what might be called international communism. I believe that the countries of Eastern Europe that we call the satellites are, you might say, in addition under the domination of the Soviet Union as a state, and in that respect there is perhaps a difference between the two.

#### **Question of Permitting Newsmen To Go to Communist China**

*Q. Mr. Secretary, on that point the Associated Press Board of Directors at a meeting yesterday disagreed with the Government's policy of preventing newsmen from visiting Red China, and they said again that they believed that it is time that qualified newsmen should be allowed to report firsthand from the mainland of China. Now, the last time we discussed this with you, you said the whole question was under active consideration. Could you tell us now, sir, what the outlook is for a possible change in this policy?*

A. Both Under Secretary Herter and I have been giving careful study to the problem of the United States news reporters going to Communist China.

The Department would be glad to have the American public get information about Communist China firsthand through United States correspondents. On the other hand, we are not willing to permit Americans generally to go into Communist China, where the Trading With the Enemy Act still applies and where Americans already in Communist China are being held in Chinese prisons as political hostages. The question is whether we can have a passport policy which will permit responsible news gathering and at the same time not permit a general influx of Americans into Communist China.

Suggestions have been made to the Department that the newsgathering community itself come up with a proposal for a strictly limited number of responsible correspondents to go to Communist China on behalf of that newsgathering com-



munity as a whole. We felt that such a selective experiment could be made consistently with our general policy.

We have had a considerable exchange of views on this topic, but so far no proposal has been made to us which would meet the newsgathering objective and not lead to a general breakdown of restrictions deemed important in the national interests.

We continue to be receptive to concrete suggestions which the newsgathering community may wish to put forward, and we also continue to study the matter ourselves.

*Q. Mr. Secretary, didn't you have a dual policy in the case of the Middle East when you had the embargo on Israel, Syria, and Egypt? You were allowing some newsmen to go in there, at the same time forbidding the general public to go in.*

A. I'm not aware of the fact that we had such a dual policy there, but you may be right. I don't know.

*Q. Well, assuming that I'm right—and I believe I am—would you then be willing to apply that policy to Communist China, if it is in fact the precedent?*

A. Well, since you're asking me to compare something with what to me is the unknown, I'd rather avoid getting into that.

*Q. Mr. Secretary, on this same subject, the reports and photographic coverages of the three correspondents—the three American correspondents—who did go into Communist China in defiance—if that is the word—of State Department restrictions have been widely disseminated in this country. Do you feel that those reports and pictures were an advantage to the Communist regime and a damage to us?*

A. We do not think that any objective reporting will be of advantage to the Communist regime or a disadvantage to us. I have tried to make clear, but apparently don't succeed in doing so, that our policy is not in any respect designed to cut off a flow of news about what conditions are, what the facts are, within Communist China. It is a question of whether or not it is appropriate at this time to break down a barrier against Americans generally going into Communist China at

a time when we are in a sense still in a state of war, at a time when Americans are subject to gross mistreatment already in Communist China, at a time when Communist China is seeking desperately to build up a pattern of so-called cultural exchanges with the Western countries, which it thinks will enable it to increase its hold over some of the countries of the Far East.

Now, that is the problem. It is not a problem of our being worried in any respect about what the facts are. The more the American people know the facts about Communist China, the better pleased we are.

*Q. Mr. Secretary, is there pressure coming into the State Department from other groups besides newspaper organizations to go to Communist China?*

A. Not at the moment, but I think it is a fact, and indeed it is conceded to be the fact by the leading figures in the newspaper world with whom we talk, that probably the granting of some passports in that respect will lead to demand for others and those in turn for others. We asked them whether they felt that they could get an agreement, let us say, within the newsgathering fraternity, that a certain number of people would go on sort of a pool basis on behalf of them all. After an inquiry and study they came back—although they made that suggestion themselves originally—and reported they did not think it would be practical to do that.

*Q. Sir, I was speaking of other than newsgathering organizations.*

A. Well, you see, you don't have a very clear-cut line between newsgathering and other organizations. You have got all sorts of things. You have got pictures, you have got study of culture, you have got the study of medicine, you have got the study of all sorts of things that are going on in there, and I don't think—and nobody else has been able to suggest it to me—a clear-cut line that can be drawn. If somebody will come up with a suggestion as to how to draw a clear-cut line so that we can say those who fall on one side of the line can get passports and those on the other side of the line can't, we will be really glad to consider that. We hoped the news people would themselves be able to come up with a suggestion. So far they are bankrupt of any such idea, as we are.

*Q. Mr. Secretary, on that point, you said in your earlier answer that you felt such a selected experiment could be made.*

*A. Yes.*

*Q. Is that still your view, sir?*

*A. Yes, sir.*

*Q. Mr. Secretary, this weekend Senator Javits made public an exchange of letters with the Department concerning the continued discrimination against United States soldiers of Jewish faith on our airbase in Dhahran. In a letter replying to the State Department's explanation of its position regarding this matter, Javits said, "I do not get the impression from the Department's letter that there will be a determined and continuous effort to undo the injustices which I have described above with clear notice to the Government of Saudi Arabia that the actions set forth above are not tolerable within the friendship that is professed towards the United States on the part of Saudi Arabia and cannot be continued indefinitely." Could you tell us, sir, what efforts are being made to stop the discriminatory practices against American citizens, and will these efforts be continued until the practices are, in fact, stopped?*

*A. Well, that is a long question. I'm not sure, if you want to make questions as long as that, but what I ought to get some advance notice and perhaps have them in writing.*

*Q. I will try to do that.*

*A. But I will say this. The arrangement which we have, which covers the Dhahran airbase and the like, was originally made as a 10-year arrangement, subject to termination or renewal at the end of 5 years. Now, what has happened is that it has been renewed for a second 5-year period on the same terms that were originally laid down. We brought up the matter you alluded to during the talks that took place when King Saud was here. I did not find his attitude at that moment very receptive, largely perhaps, or partly at least, because of the fact that he felt that he had not been given nondiscriminatory treatment himself in the city of New York.*

*Q. Mr. Secretary, the President said recently on a number of occasions that he appointed Mr. Scott McLeod Ambassador to Ireland on your recom-*

*mendation. Sir, in view of the uproar that has erupted in Ireland over this appointment, can you tell us your view of Mr. McLeod's qualifications for the job?*

*A. I'm not aware of any uproar in Ireland.*

*Q. From the Irish press.*

*A. In the Irish press? I am not even aware of that. I will say that Mr. McLeod, after 4 years of service in the State Department, has, I think, shown that he possesses the qualifications to be a good ambassador. He has grown in stature and understanding; his knowledge of world affairs is very considerable. And I believe that he is well qualified. Obviously such a belief rests upon my personal judgment, but my personal judgment is based upon very close contact with him during this period and with his growing understanding of problems. This leads me to believe that he will be a good ambassador.*

*Q. Mr. Secretary, do you see any way that nuclear tests in the world can be brought to a halt outside of international disarmament? In other words, can the two be separated—nuclear tests and disarmament?*

*A. It would be, I think, rather difficult to separate them, though I wouldn't want to say in this field that it is impossible. I realize that in this field we are dealing with issues of such tremendous gravity that there is perhaps no course of complete safety, and that situations arise which require us to balance the risks of one course as against another. Therefore, I would not want to be as dogmatic or seem to be open only to a theoretically perfect and complete solution.*

*But one of the great difficulties, in this matter as in so many others, is we are dealing with a nation the government of which cannot be relied upon to carry out its undertakings, and where they could gain a very great advantage over us if there is no control of nuclear weapons and if research and development can go on perhaps secretly and all of a sudden be made available for the use of weapons under circumstances which might give them a very considerable and sudden advantage over ourselves. Those things have all to be weighed and appraised against the risks of having testing. At the moment, in the light of all the scientific information we can get, it does not appear that any testing which is in prospect is likely*



to have any appreciable effect upon the health situation. Therefore, we are not disposed at the moment to consider that the risks of continued testing are sufficiently great so that we should take great risks in another direction. But of course our attitude toward these matters is always subject to change in the light, perhaps, of further scientific information than is now available.

*Q. Mr. Secretary, a clarifying question on the reporters to Communist China matter. Is this experiment that you are willing to consider a one-shot proposition, that is, reporters going there on a pool basis, visiting Communist China and then coming back, or is this a permanent thing that you were willing to authorize?*

A. Well, I don't have a closed mind on that. I thought of it primarily, in the first instance at least, as a one-shot experiment to see how it would work and what the reaction of other peoples would be, whether it would lead to a very great demand on the part of passports for others—in which case we might have to discontinue it.

*Q. Mr. Secretary, may I ask, do you or the Government consider extending a similar invitation to Communist newspapermen to visit America before the Government decides to agree to let American newsmen go to the Communist regime?*

A. We have no intention of inviting Communist Chinese newspaper people to come to this country. I don't know that that has been suggested to us. But since any such passports would have to be issued by a regime that we do not recognize as a government, it would not be practical to give a visa for such people who had credentials only stemming from the Chinese Communist regime to come to this country.

*Q. Mr. Secretary, can you tell us if at any time during the past 4 years you considered firing Scott McLeod?*

A. Well, there was a point at the very first days of our administration when we did not always see eye-to-eye about everything, but those days have passed; and I really think that he has done an extremely able job on important matters upon which he has been engaged—the Refugee Act, for example, and things of that sort—and I merely repeat what I said before, that I have gained very great confidence in his ability and judgment,

his human understanding. I think he would be a good ambassador.

*Q. Mr. Secretary, Senator Mansfield of Montana has suggested the USIA have its budget cut this year, but it also ought to go back under the State Department. What do you think of the two halves of that proposal?*

A. I hope those are not considered as two sides of a cruel and unusual punishment.

*Q. Thank you, sir.*

## **President of Viet-Nam To Visit U.S.**

The Department of State announced on April 25 (press release 247) that arrangements have been completed for the arrival of Ngo Dinh Diem, President of the Republic of Viet-Nam, who will visit the United States at the invitation of President Eisenhower. President Diem and his party will arrive at Washington on May 8 and will remain until May 12, when they will depart for New York City.

## **U. S. Reaffirms Support for Lao Government**

Press release 239 dated April 24

*The following is the text of a note delivered on April 16, 1957, by the United States Government to the Ambassador of the Kingdom of Laos in Washington. Similar notes were delivered by the Governments of the United Kingdom and France to the Ambassadors of the Kingdom of Laos in London and Paris.*

In response to the request of the Royal Government of Laos to the Governments of the United Kingdom, France, and the United States for a statement of their policy towards Laos, the Government of the United States confirms its interest in the peace, sovereignty, independence, unity, and territorial integrity of the Kingdom of Laos. The Government of the United States therefore continues fully to support the principle of the complete authority of the Royal Government of Laos over all its territory. It maintains the hope that a political settlement and the reunification of Laos will be effected in accordance with the principles of the Geneva Agreements on

Laos of July 1954 and the Resolution of the International Control Commission of January 7, 1956.

The Government of the United States regrets that these objectives have so far been made impossible because the Pathet Lao forces, in spite of these Agreements and of the Resolution of the International Control Commission, have sought to place extraneous conditions upon their acceptance of the authority of the Royal Government and upon their reintegration into the national community.<sup>1</sup> The Government of the United States welcomes the firmness with which the Kingdom of Laos has resisted this maneuver and is confident that the Royal Government will continue in its determination that the political future of the Kingdom of Laos shall not be dictated by dissident groups enjoying no constitutional status.

## **Briefing on Negotiations of Disarmament Subcommittee**

*Following is the text of an agreed statement by Secretary Dulles and Harold E. Stassen, Special Assistant to the President, which was read to news correspondents on April 20 by Assistant Secretary Berding.*

In a meeting presided over by Secretary of State Dulles, Governor Stassen gave a briefing on the progress of the Disarmament Subcommittee session in London up to the time of the Easter recess. It has been decided that advantage should be taken of the Easter recess to discuss developments here prior to the resumption of talks in London on Wednesday [April 24].

Topics discussed included initial reduction of armaments and manpower on a reciprocal basis; arms inspection systems, both ground and air; the United States proposal for cutting off at a given date fissionable production for weapons purposes;

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<sup>1</sup>In commenting upon the note in answer to queries from news correspondents, a Department spokesman on Apr. 24 gave as examples of the Pathet Lao conditions considered extraneous to the fundamental problem of reunification the following: (1) a neutrality involving the exchange of diplomatic representatives with the Communist bloc; (2) acceptance of economic and technical assistance from the Communist bloc, particularly Communist China; and (3) establishment of a coalition government which would include the Communists.

and the exchange of lists of armaments and blueprints.

It was thought that the negotiations thus far conducted warranted a continuation of a serious effort to reach an initial partial agreement for a first step, if proper safeguards for inspection and control are agreed to.

The meeting was attended by Admiral Strauss and representatives of the State and Defense Departments.

## **Reaffirmation of U.S. Policy on Disarmament**

*Statement by James C. Hagerty  
Press Secretary to the President*

White House press release dated April 23

The President received from Mr. Stassen a review of the London talks. The President followed these London discussions with interest. He had arranged with the Secretary of State to have Mr. Stassen come to Augusta to give him a personal report.

The President encouraged the United States delegation to follow through thoroughly in the resumed negotiations which will start again in London on Wednesday [April 24].

The President reaffirmed that United States policy is, as stated by the Secretary of State in his speech of yesterday, that:

We consider that controls and reduction of arms are possible, desirable, and, in the last reckoning, indispensable. It is not essential that controls should encompass everything at once. In fact, progress is likely to come by steps carefully measured and carefully taken.

Mr. Stassen will return this morning to Washington to confer again with the Secretary of State prior to leaving for London later this afternoon from New York City.

## **Question of Trade Embargoes Against Communist China**

*On April 20 the Department of State released the following statement on the subject of trade embargoes against Communist China.*

The United States has been repeatedly pressed by some of its allies to relax controls on trade with Communist China to the same level as those which apply to trade with the Soviet bloc.



We have been and are unwilling to agree to any relaxation which would result in an increased flow of strategic goods to Communist China. At the time of the Korean war, when the United Nations forces were attacked by the Chinese Communists, the United Nations established an embargo on shipment of strategic goods to Communist China. Communist China is still hostile, and controls have continued.

Heretofore, our allies have agreed to multi-lateral controls on trade with Communist China considerably more severe than on trade with the rest of the Communist bloc.

In an effort to meet the views of its allies and at the same time continue to maintain effective multi-lateral trade controls, the United States has informed the 14 nations which participate with it in multilateral controls that it is prepared to discuss certain modifications in the existing system.

The U.S. proposal was made to the embassies of the 14 countries in Washington during the past week.

Under this proposal certain items for peaceful use which now are embargoed by the multilateral control system for shipment to Communist China would be removed from controls and would be placed on the same basis as in the case of trade with the European Soviet bloc. Certain other items now embargoed to Communist China would continue under embargo and would be transferred to the European Soviet-bloc list but under a lesser degree of control.

The proposal would also involve a tightening of the "exceptions" procedure now in use.

It was emphasized to our allies that there is no change in United States policy with respect to trade with Communist China. The United States will continue its unilateral embargo on all trade with Communist China.

## **United States Supporting Chile's Stabilization Effort**

*Statement by Lincoln White  
Acting Chief, News Division<sup>1</sup>*

The United States has shown and continues to show its deep interest in the success of Chile's stabilization effort. It is lending substantial support to Chile in its courageous efforts to carry out

an enlightened policy designed to overcome the ruinous inflation which has been plaguing that country.

The U.S. Treasury is participating in a standby stabilization credit of \$75 million. In addition to prior loans totaling \$150 million, the Export-Import Bank since the inception of the stabilization program has made loans amounting to over \$47 million for Chile's steel and nitrate industries. The United States representative in the International Bank for Reconstruction and Development has supported substantial credits granted by the bank for Chile's economic development. The bank is understood to be considering additional credits.

Our agricultural sales program has made it possible for Chile's people to consume about \$40 million worth more of food and fibers than her limited exchange resources would otherwise have permitted. Important economic development projects are being carried out with local currency proceeds of these agricultural sales. Assuming that request for additional legislative authorization with respect to agricultural products is granted, we will then be in a position to consider additional such sales without impairing legitimate trade interests of other friendly nations.

Further progress along the road to economic strength and well-being will, of course, depend on the Chilean people's persistence in this great endeavor. In their efforts they can count on continued sympathetic support on a sound and economic basis from the United States, which is confident that Chile will find a solution to its difficulties consistent with its democratic traditions.

## **U.S.-Canadian Negotiations On Potato Tariffs**

Press release 192 dated April 5

The United States and Canada concluded negotiations on April 5 with respect to their trade-agreement concessions on potatoes. Notice of the intention of the United States to participate in these negotiations was given on February 4, 1957.<sup>1</sup>

The renegotiations were undertaken because of Canada's desire to adjust upward its tariff on potatoes. The renegotiations, which took place in

<sup>1</sup> Made to correspondents on Apr. 12.

<sup>1</sup> For text, see BULLETIN of Mar. 4, 1957, p. 360.

Washington, were authorized by the Contracting Parties to the General Agreement on Tariffs and Trade and were held under procedures provided in the March 10, 1955, "Declaration on the Continued Application of Schedules."

Agreement was reached on the basis of an upward modification of the Canadian concession on potatoes, which was initially negotiated with the United States in the general agreement, and a partial withdrawal of concessions which the United States had granted on potatoes in the agreement. The United States supplies most of Canada's imports of potatoes, and Canada is the principal supplier of United States imported potatoes.

As a result of the renegotiations, Canada intends to include in schedule V to the general agreement a modified concession providing a year-round duty of 37½ cents per 100 pounds on all imported potatoes, with the exception that new potatoes will be granted continued free entry during the period January 1 to June 14, inclusive. This concession replaces one which provided duty-free treatment for all imports of potatoes except for the period June 15 to July 31, inclusive, when the rate of duty was 37½ cents per 100 pounds.

The United States, as a result of the renegotiations, will modify its concessions on potatoes in part I of schedule XX to the general agreement which were initially negotiated with Canada. Under the trade-agreements legislation such modification in United States duties are given effect through Presidential proclamation, which it is anticipated will be issued in the near future.

The United States will decrease the existing 2.5-million-bushel tariff quota for seed potatoes by 600,000 bushels and the existing 1-million-bushel tariff quota for table-stock potatoes by 400,000 bushels. The most-favored-nation rate will remain 37½ cents per 100 pounds for imports within the new tariff quotas of 1.9 million bushels for seed potatoes and 600,000 bushels for table-stock potatoes. There will be no change in the existing escalator clause which provides that the tariff quota in any year for table-stock potatoes is increased by the amount that estimated United States production is less than 350 million bushels.

## Congressional Documents Relating to Foreign Policy

### 85th Congress, 1st Session

- Report on the Soviet Union, Poland and Czechoslovakia—August 1956. Report of Senator Russell B. Long on a study mission. October 29, 1956. 38 pp.
- Report of the National Advisory Council on International Monetary and Financial Problems. Letter from the chairman transmitting a report on its activities during the period January 1 to June 30, 1956, pursuant to section 4 (b) (5) of the Bretton Woods Agreements Act. H. Doc. 54, January 17, 1957. 73 pp.
- Departments of State and Justice, the Judiciary, and Related Agencies Appropriations for 1958: Department of State. Hearings before the Subcommittee of the House Committee on Appropriations. January 29 to March 12, 1957. 980 pp.
- United States Defense Policies Since World War II. H. Doc. 100, February 14, 1957. 87 pp.
- Report on Audit of Saint Lawrence Seaway Development Corporation for the Fiscal Year Ended June 30, 1956. H. Doc. 95, February 18, 1957. 19 pp., map.
- South America (Peru, Chile, Argentina, Uruguay, and Brazil). Report on United States foreign assistance programs prepared at the request of the Senate Special Committee To Study the Foreign Aid Program by Former Ambassador David K. E. Bruce (pursuant to S. Res. 285, 84th Cong., and S. Res. 35, 85th Cong.). Survey No. 3, March 1957. 15 pp. [Committee print.]
- Emigration of Refugees and Escapees. Report of the Senate Committee on the Judiciary made by its Subcommittee To Investigate Problems Connected With the Emigration of Refugees and Escapees pursuant to S. Res. 168, 84th Cong., 2d Sess., as extended by S. Res. 84, 85th Cong. S. Rept. 129, March 4, 1957. 10 pp.
- Amendment to the Anglo-American Financial Agreement of 1945. H. Doc. 111, March 6, 1957. 3 pp.
- United States Contributions to International Organizations. Letter from the Secretary of State transmitting the fifth report on the extent and disposition of United States contributions to international organizations for the fiscal year 1956, pursuant to Public Law 806, 81st Congress. H. Doc. 112, March 6, 1957. 86 pp.
- West Berlin Reactor. Hearing before the Joint Committee on Atomic Energy. March 6, 1957. 17 pp.
- Amendment of Anglo-American Financial Agreement. Hearing before the Senate Committee on Banking and Currency on S. J. Res. 72, to implement further the act of July 15, 1946, by approving the signature by the Secretary of the Treasury of an agreement amending the Anglo-American Financial Agreement of December 6, 1945. March 15, 1957. 28 pp.
- Control and Reduction of Armaments. Disarmament and Security in the Middle East. Staff Study No. 6, Subcommittee on Disarmament of the Senate Committee on Foreign Relations. March 17, 1957. 35 pp. [Committee print.]
- Agreement between the United States of America and the Republic of Austria Regarding Certain Austrian Bonds. Message from the President transmitting the agreement between the United States and the Republic of Austria regarding certain bonds of Austrian issue denominated in dollars, together with a related protocol, both signed at Washington on November 21, 1956. S. Exec. H, March 18, 1957. 64 pp.



## Security Council Resumes Consideration of Item on Suez Canal

*Following is a statement made before the Security Council on April 26 by Ambassador Henry Cabot Lodge, U.S. Representative to the United Nations, together with the texts of a letter from Ambassador Lodge to Security Council President Sir Pierson Dixon requesting a meeting of the Council; a letter to U.N. Secretary-General Dag Hammarskjöld from the Egyptian Minister of Foreign Affairs, Mahmoud Fawzi, transmitting an Egyptian declaration on the Suez Canal; and a reply to Dr. Fawzi from Mr. Hammarskjöld.*

### STATEMENT BY AMBASSADOR LODGE, APRIL 26

Press release 249 dated April 26

It will be recalled that the Security Council last met to consider the item before us on October 13 when it unanimously agreed, with the concurrence of Egypt, on six basic requirements that should be met in any Suez Canal settlement.<sup>1</sup> It was also agreed, at the suggestion of the United States, that the Council remain seized of this important matter. The Council thus has a continuing interest in this subject.

For these reasons and in light of the reopening of the Suez Canal, the United States believed it appropriate to request a meeting of the Security Council. On its part, the United States wishes to report briefly to the Council its views regarding the regime proposed for the Suez Canal by Egypt. No doubt other members of the Council will also wish to express their views. In this way, the Council can take note of the situation regarding the Suez Canal.

Late in March the Egyptian Government transmitted to the United States, among certain other governments, a set of proposals to govern the

operation of the Suez Canal.<sup>2</sup> The Government of Egypt requested the United States to comment on its proposals. In response to this request, the United States, without any mandate to represent other users of the canal, made a number of suggestions to the Egyptian Government. These suggestions were designed to facilitate an effective and generally acceptable international agreement in conformity with the six requirements unanimously approved by the Security Council. In addition, the Secretary-General has communicated his observations to the Egyptian Government during the past month.

The Egyptian declaration has now been circulated to the members of the Council. Egypt has requested that its declaration be registered with the United Nations, and the Secretary-General has done so.

The United States has already expressed its views in detail to the Government of Egypt regarding its declaration. In our view, Mr. President, the Egyptian declaration in its present form does not fully meet the six requirements of the Security Council. A fundamental difficulty lies in the fact that there is no provision for "organized cooperation," which is the phrase referred to in the exchange of correspondence of November 3, 1956, between the Secretary-General and the Egyptian Government.<sup>3</sup> In view of this lack of provision for organized and systematic cooperation between Egypt and the users, there is no assurance that the six requirements will in fact be implemented.

Perhaps no final judgment can be made regarding the regime proposed by Egypt until it has been tried out in practice. Therefore any *de facto* acquiescence by the United States must be

<sup>2</sup> Not printed.

<sup>3</sup> U.N. doc. S/3728.

<sup>1</sup> BULLETIN of Oct. 22, 1956, p. 611.

provisional, and we reserve the right to express ourselves further on the matter in the future. Obviously there remain a number of practical arrangements which will have to be worked out in giving effect to the Egyptian declaration. The salient practical fact is that the question of whether confidence among the users of the canal can be established will depend on the manner in which the Egyptian declaration is carried out in practice. Pending settlement with the Universal Suez Canal Company and in view of the possibility of double jeopardy, United States vessels will be authorized to pay Egypt only under protest, as has been the case since last July.

We think that the interests of Egypt and the users would both be served if the arrangements for the canal and its operation are such that governments and private concerns can base their economic and business plans on the assumption that there will in fact be, as there should be, free and nondiscriminatory use of the canal at all times by the ships of all nations.

Finally, Mr. President, we believe the Council should remain seized of this matter while the system proposed by Egypt is given a trial.

#### **AMBASSADOR LODGE'S LETTER REQUESTING COUNCIL MEETING**

Press release 241 dated April 24

**APRIL 24, 1957**

On behalf of the Government of the United States, I request you in your capacity as President of the Security Council to convene a meeting of the Council on Thursday afternoon, April 25, or as soon thereafter as may be convenient, for the purpose of resuming discussion of Item 28 (relating to the Suez Canal) of the list of items of which the Security Council is seized.

During its discussion of this matter last October the Council agreed, by a Resolution adopted unanimously on October 13, that any settlement of the Suez question should meet six basic requirements therein set forth.

About a month ago the Government of Egypt indicated the regime which it desired to apply to the Canal traffic when it should be resumed and requested observations thereon by the Government of the United States.

The United States Government was informed

that the proposals of the Government of Egypt were likewise communicated to the Secretary General.

The Canal is now again open to traffic and we have been informed by the Government of Egypt of its intention to make public its declaration on the conditions applicable to transit.

In these circumstances, the Government of the United States believes that the Council should now meet to take note of the situation regarding passage through the Suez Canal.

#### **FOREIGN MINISTER FAWZI'S LETTER TRANSMITTING EGYPTIAN DECLARATION**

U.N. doc. A/3576, S/3818

**24 APRIL 1957**

The Government of Egypt are pleased to announce that the Suez Canal is now open for normal traffic and will thus 'once again serve as a link between the nations of the world in the cause of peace and prosperity.

The Government of Egypt wish to acknowledge with appreciation and gratitude the efforts of the States and peoples of the world who contributed to the restoration of the Canal for normal traffic, and of the United Nations whose exertions made it possible that the clearance of the Canal be accomplished peacefully and in a short time.

On 18 March 1957, the Government of Egypt set forth in a memorandum 'basic principles relating to the Suez Canal and the arrangements for its operation. The memorandum contemplated a further detailed statement on the subject. In pursuance of the above, I have the honour to enclose a copy of the declaration made today by the Government of Egypt in fulfilment of their participation in the Constantinople Convention of 1888, noting their understanding of the Security Council resolution of 13 October 1956 and in line with their statements relating to it before the Council.

I have the honour to invite Your Excellency's attention to the last paragraph of the declaration which provides that it will be deposited and registered with the Secretariat of the United Nations. The declaration, with the obligations therein, constitutes an international instrument and the Government of Egypt request that you kindly receive and register it accordingly.

**24 APRIL 1957**

#### **DECLARATION**

In elaboration of the principles set forth in their memorandum dated 18 March 1957, the Government of the Republic of Egypt, in accord with the Constantinople Convention of 1888 and the Charter of the United Nations, make hereby the following Declaration on the Suez Canal and the arrangements for its operation.

<sup>1</sup> Not printed.



### 1. *Reaffirmation of Convention*

It remains the unaltered policy and firm purpose of the Government of Egypt to respect the terms and the spirit of the Constantinople Convention of 1888 and the rights and obligations arising therefrom.<sup>5</sup> The Government of Egypt will continue to respect, observe and implement them.

### 2. *Observance of the Convention and of the Charter of the United Nations*

While reaffirming their determination to respect the terms and the spirit of the Constantinople Convention of 1888 and to abide by the Charter and the principles and purposes of the United Nations, the Government of Egypt are confident that the other signatories of the said Convention and all others concerned will be guided by the same resolve.

### 3. *Freedom of navigation, tolls, and development of the Canal*

The Government of Egypt are more particularly determined:

(a) To afford and maintain free and uninterrupted navigation for all nations within the limits of and in accordance with the provisions of the Constantinople Convention of 1888;

(b) That tolls shall continue to be levied in accordance with the last agreement, concluded on 28 April 1936, between the Government of Egypt and the Suez Canal Maritime Company, and that any increase in the current rate of tolls within any twelve months, if it takes place, shall be limited to 1 per cent, any increase beyond that level to be the result of negotiations, and, failing agreement, be settled by arbitration according to the procedure set forth in paragraph 7 (b).

(c) That the Canal is maintained and developed in accordance with the progressive requirements of modern navigation and that such maintenance and development shall include the 8th and 9th Programmes of the Suez Canal Maritime Company with such improvements to them as are considered necessary.

### 4. *Operation and management*

The Canal will be operated and managed by the autonomous Suez Canal Authority established by the Government of Egypt on 26 July 1956. The Government of Egypt are looking forward with confidence to continued co-operation with the nations of the world in advancing the usefulness of the Canal. To that end the Government of Egypt would welcome and encourage co-operation between the Suez Canal Authority and representatives of shipping and trade.

### 5. *Financial arrangements*

(a) Tolls shall be payable in advance to the account of the Suez Canal Authority at any bank as may be authorized by it. In pursuance of this, the Suez Canal Authority has authorized the National Bank of Egypt and is negotiating with the Bank of International Settlement to accept on its behalf payment of the Canal tolls.

<sup>5</sup> For text of Constantinople Convention, see BULLETIN of Oct. 22, 1956, p. 617.

(b) The Suez Canal Authority shall pay to the Government of Egypt 5 per cent of all the gross receipts as royalty.

(c) The Suez Canal Authority will establish a Suez Canal Capital and Development Fund into which shall be paid 25 per cent of all gross receipts. This Fund will assure that there shall be available to the Suez Canal Authority adequate resources to meet the needs of development and capital expenditure for the fulfilment of the responsibilities they have assumed and are fully determined to discharge.

### 6. *Canal Code*

The regulations governing the Canal, including the details of its operation, are embodied in the Canal Code which is the law of the Canal. Due notice will be given of any alteration in the Code, and any such alteration, if it affects the principles and commitments in this Declaration and is challenged or complained against for that reason, shall be dealt with in accordance with the procedure set forth in paragraph 7 (b).

### 7. *Discrimination and complaints relating to the Canal Code*

(a) In pursuance of the principles laid down in the Constantinople Convention of 1888, the Suez Canal Authority, by the terms of its Charter, can in no case grant any vessel, company or other party any advantage or favour not accorded to other vessels, companies or parties on the same conditions.

(b) Complaints of discrimination or violation of the Canal Code shall be sought to be resolved by the complaining party by reference to the Suez Canal Authority. In the event that such a reference does not resolve the complaint, the matter may be referred, at the option of the complaining party or the Authority, to an arbitration tribunal composed of one nominee of the complaining party, one of the Authority and a third to be chosen by both. In case of disagreement, such third member will be chosen by the President of the International Court of Justice upon the application of either party.

(c) The decisions of the arbitration tribunal shall be made by a majority of its members. The decisions shall be binding upon the parties when they are rendered and they must be carried out in good faith.

(d) The Government of Egypt will study further appropriate arrangements that could be made for fact-finding, consultation and arbitration on complaints relating to the Canal Code.

### 8. *Compensation and claims*

The question of compensation and claims in connexion with the nationalization of the Suez Canal Maritime Company shall, unless agreed between the parties concerned, be referred to arbitration in accordance with the established international practice.

### 9. *Disputes, disagreements or differences arising out of the Convention and this Declaration*

(a) Disputes or disagreements arising in respect of the Constantinople Convention of 1888 or this Declaration shall be settled in accordance with the Charter of the United Nations.

(b) Differences arising between the parties to the said Convention in respect of the interpretation or the applicability of its provisions, if not otherwise resolved, will be referred to the International Court of Justice. The Government of Egypt would take the necessary steps in order to accept the compulsory jurisdiction of the International Court of Justice in conformity with the provisions of Article 36 of its Statute.

#### 10. Status of this Declaration

The Government of Egypt make this Declaration, which re-affirms and is in full accord with the terms and spirit of the Constantinople Convention of 1888, as an expression of their desire and determination to enable the Suez Canal to be an efficient and adequate waterway linking the nations of the world and serving the cause of peace and prosperity.

This Declaration, with the obligations therein, constitutes an international instrument and will be deposited and registered with the Secretariat of the United Nations.

### SECRETARY-GENERAL'S REPLY TO EGYPTIAN LETTER

U.N. doc. A/3577, S/3819

NEW YORK, 24 April 1957

I have the honour to acknowledge the receipt of your letter of 24 April 1957 transmitting for deposit the original of a Declaration dated 24 April 1957 on the Suez Canal and the arrangements for its operation.

Pursuant to your request, the original of the Declaration has been deposited in the archives of the United Nations.

I have noted that the Declaration has also been transmitted for the purpose of registration. I understand that the Government of Egypt consider that the Declaration constitutes an engagement of an international character coming within the scope of Article 102 of the Charter, and therefore registration has been effected in accordance with article 1 of the Regulations to give effect to that Article. The certificate of registration will be forwarded to you in due course.

Your letter together with the Declaration will be circulated as a document of the General Assembly and the Security Council.

## U.S. Delegations to International Conferences

### South Pacific Commission

The Department of State announced on April 24 (press release 242) that the U.S. Government

will be represented at a Review Conference of the South Pacific Commission, to be convened at Canberra, Australia, on April 30, 1957, by the following delegation:

#### U.S. Delegate

Walter Newbold Walmsley, *chairman*, Deputy Assistant Secretary of State for International Organization Affairs

#### Advisers

Felix M. Keesing, U. S. Senior Commissioner, South Pacific Commission, Department of Anthropology, Stanford University

Knowles A. Ryerson, U.S. Commissioner, South Pacific Commission, College of Agriculture, University of California

Edna Barr, Office of Dependent Area Affairs, Department of State

James A. Boulware, Agricultural Attaché, American Embassy, Canberra

Bolard More, Office of Dependent Area Affairs, Department of State

William L. Yeomans, Office of Territories, Department of the Interior

The purpose of the meeting is to review the work of the South Pacific Commission, to further the cooperation among the six participating governments—Australia, France, Netherlands, New Zealand, the United Kingdom, and the United States—in promoting the economic and social development of the 18 dependent territories of the South Pacific region, including American Samoa, Guam, and the Trust Territory of the Pacific Islands under United States administration, and to make plans for future operations of the Commission. The Review Conference will discuss all aspects of the Commission's work, including substantive, administrative, and financial matters.

Established to promote the economic and social advancement of the peoples within its regional scope, the South Pacific Commission is essentially a consultative and advisory body to the six participating governments. The specific functions of the Commission include: (a) recommending to member governments measures for the development of the area in such fields as agriculture, transportation, industry, health, and education; (b) undertaking research on problems of interest to the area; (c) giving advice on coordinating local projects having regional significance;



and (d) providing technical assistance to member governments and their territories.

### **Economic Commission for Europe**

The Department of State announced on April 23 (press release 234) that Stanley C. Allyn had been sworn in that day as the U.S. representative to the 12th session of the Economic Commission for Europe (ECE), to be held at Geneva, Switzerland, April 29–May 15, 1957.

Mr. Allyn represented the United States at the 11th session of the ECE in 1956 and was U.S. representative and chairman of the U.S. delegation to the 9th session of the General Conference of the United Nations Educational, Scientific and Cultural Organization (UNESCO), which met at New Delhi last fall.

The Economic Commission for Europe is one of the three regional commissions established by the United Nations to deal with the special economic problems of its area and to contribute to better living standards in the world as a whole. In this connection the ECE initiates and participates in measures to (1) facilitate concerted action for the reconstruction of Europe, (2) raise the level of European economic activity, and (3) maintain and strengthen the economic relations of the European countries both among themselves and with other countries of the world.

The Commission at its 12th session will review the activities of its committees, which cover the fields of agriculture, coal, electric power, housing, industry and materials, inland transport, manpower, steel, timber, and trade. The *Annual Survey of Europe*, as prepared by the secretariat on its own responsibility, will also be reviewed. The *Survey* this year contains special sections on the European transport situation and income distribution in Western Europe.

### **Mr. Allyn Confirmed To Be U.S. Representative to ECE**

The Senate on April 8 confirmed Stanley C. Allyn to be the representative of the United States to the 12th session of the Economic Commission for Europe of the Economic and Social Council of the United Nations.

### **GATT Intersessional Committee To Meet at Geneva**

The Department of State announced on April 22 (press release 230) that the 18-member Intersessional Committee of the Contracting Parties to the General Agreement on Tariffs and Trade (GATT), of which the United States is a member, will meet at Geneva beginning April 24.<sup>1</sup> The Committee will discuss the procedures to be followed for the consideration of the European Common Market treaty by the Contracting Parties.

The treaty, signed on March 25 at Rome by France, Germany, Italy, Luxembourg, the Netherlands, and Belgium and now in process of being submitted to parliaments for ratification, provides generally for the economic integration of the six countries through a variety of measures including the removal of tariffs and other restrictions on trade among them.

The GATT Intersessional Committee is also expected to review plans for consulting in June and October with a number of countries maintaining import quotas for balance-of-payments reasons and to handle other matters of a routine nature.

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<sup>1</sup> The United States will be represented by Carl Corse, Chief, Trade Agreements and Treaties Division, Department of State, and Stanley Cleveland, Office of European Regional Affairs, Department of State.

## The U.N. Economic Commission for Asia and the Far East

*Following are three statements made by Walter M. Kotschnig, director of the Office of International Economic and Social Affairs, at the 13th session of the U.N. Economic Commission for Asia and the Far East, which met at Bangkok, Thailand, March 18-28. Mr. Kotschnig was the Acting U.S. Representative.*

### TEN YEARS OF ECAFE<sup>1</sup>

Anniversaries are times for reminiscences, and as an old timer in the United Nations I hope I may be allowed to indulge in a bit of personal reminiscing. My mind goes back this morning to the very early beginnings of the United Nations, to Dumbarton Oaks and to San Francisco, where the founding fathers met. At that time there was little interest in economic and social matters. The United States proposal at Dumbarton Oaks for the creation of an economic and social council met with little enthusiasm. One country, here present, opposed the proposal outright at first. In San Francisco some of the smaller and younger countries rather than the big powers urged economic action through the United Nations.

Since then we have witnessed a development which is little short of miraculous. Any United Nations organization chart shows that today two-thirds of all organizational units of the United Nations deal with economic, social, and related matters. Under the Economic and Social Council there are seven functional commissions and three regional commissions. Beyond this there are in the family of the United Nations organizations 10 specialized agencies, the majority of which was created after 1944. The activities of all these bodies have grown by leaps and bounds. All this reflects the basic recognition that the promotion

of the general welfare is essential to the preservation of peace.

### Political and Economic Progress

Progress has been particularly marked in the case of ECAFE. Our organization has been pushing forward and outward persistently and determinedly. It has done so in the face of tremendous difficulties and problems.

The growth of ECAFE coincided with the period of the great movement of independence in the region—the creation of 11 new states, giving no rest to the mapmakers. This great movement has had and continues to have the sympathy and support of the American people and our Government. Those who are given to accusing us of imperialistic designs know little if anything of the American people and their history. The memories of our own struggle for independence are still very much alive. They have made us deeply sympathetic with the struggle for independence of other peoples, as they have helped us to cement our relations and our friendships with our former rulers on a basis of full equality.

The political changes in the region inevitably caused certain economic dislocations which had to be met. But more important than these dislocations was another development of the last 10 years. I refer to what has been called the “revolution of rising expectations.”

We have heard it often and it is a fact that the teeming millions are no longer content with their miserable lot. For the first time in history they have realized that they are not eternally doomed to economic misery, to destitution, to sickness and early death.

And again, Mr. Chairman, the American people were aroused in sympathy. They heard the voices of the East, they saw what was happening, and they rejoiced. What is more, they wanted to

<sup>1</sup> Statement made on Mar. 19 at a meeting commemorating the 10th anniversary of the Commission.



help for they believe in the dignity of man and his right to a fuller life. They, along with other nations of the West, dipped into their resources of manpower and capital to assist. Not in order to boast but to convey to you our sense of gratification, we may state that we found it possible between 1946 and 1956 to contribute in different forms close to \$6 billion of public money to the economic and social development of this region in addition to the growing volume of private investment.

Throughout this great resurgence of energy, this drive for a better life, ECAFE grew until by now it has become a major vehicle of the aspirations of the people of Asia and the Far East and an increasingly important tool for their attainment.

ECAFE has grown in size. Every independent state and a few dependencies remaining within the region belong to it. More important than this: ECAFE has grown in wisdom and understanding, in depth and realism. It has made for greater cohesion within the region and for better relations with countries outside the area. It has helped to lay the basis for economic development of the member countries within the region, for developing statistical services essential to an understanding of the problems besetting the region; it has helped to ascertain and define major problem areas; it has advanced the grasp of techniques necessary to meet these problems. Finally, it has helped to give us better perspectives which make for balanced development plans within the region.

In this context I want to pay warm and special tribute to Dr. Lokanathan,<sup>2</sup> whose name will go down in history as the first builder of ECAFE. And may I add that after the few days that we have had here we are fully confident that our new executive secretary, Dr. [C. V.] Narasimham is evidently another man of destiny who will lead our organization to new heights and even more effective work.

### **Making a Choice for the Future**

And that leads me to the future. The road ahead of all of us is still long and arduous. You know this as well as we do. In the economic area there are no panaceas, no easy solutions.

Many basic issues are still to be hammered out.

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<sup>2</sup>P. S. Lokanathan, former executive secretary of ECAFE.

There are still uncertainties in the minds of many as to which form of economy is best suited to their countries. The issue of the relative advantages of a free economy as compared to the totalitarian approach to economic development is not yet fully resolved.

As I stated in the Committee on Industry and Trade a few days ago, my country does not want to impose its own particular ideas and concepts on any country. But I am sure, Mr. Chairman, you will permit me to say that we hope and pray that our friends in the region—and that is every country within the region without exception—will find it advantageous to carry the spirit of freedom, which has led to its political independence, forward into the economic realm.

Each country has to make its own choice. But speaking from our own experience I can only say that the economic growth and health of my country, our high standards of living, are built upon the idea of individual freedom and initiative, the incentive of possible personal achievement, and an equal opportunity for all. These and hard work are the major elements which have made us strong and prosperous.

This in no way implies negation of the responsibility of the state to safeguard the common welfare of all. Our Government has large regulatory powers which it employs in the interest of the community as a whole. And our Government has taken the initiative and helped in the development of certain basic resources—as for instance in the Tennessee Valley water and power development and various high dam systems. Presently our Government is financing a \$100-billion road program to take care of the 40 to 50 million individually owned motor cars which carry our people to work and to recreation.

There are times when the totalitarian approach to economic development may look attractive to countries beset by enormous economic problems and the push of the masses for an early improvement of their lot. In some cases, it is held, quicker results might be achieved by the regimentation of labor or by outright forced labor, by way of forced savings and other means of totalitarian control of the efforts of whole nations. Whether, however, this is a way of building soundly, securely, is another question. Since the spirit of man cannot be fettered and enslaved indefinitely, such regimentation may only lead to later trouble,

to greater tensions, to new upheavals, as we have recently witnessed in Europe, and, as was shown in the case of Hungary, may lead to new ruthless oppressions. At any rate, if we love man, if we believe in his dignity, we can never forget the ghastly cost of the totalitarian approach in terms of human suffering, human lives, and human happiness.

Mr. Chairman, I want to close by congratulating not only ECAFE but also the countries in the region on the progress they have made during the past 10 years. There is a new hope alive in the region, a new spirit of self-reliance, of self-help. Some of us from outside the region are happy that we are able to help a bit. We have done it willingly and gladly. But the real credit is due to yourselves, your enlightened leaders, the hard work of your own people.

Mr. Chairman and fellow delegates, the people and the Government of the United States stand ready to continue to help with expert advice and training and other forms of aid. As we move forward together, we may yet establish in this generation, in our age, a new brotherhood of man in greater happiness and in larger freedom for all.

### THE ECONOMIC SITUATION IN ASIA<sup>3</sup>

On a motion of my delegation at the Rangoon session of the ECAFE, the Commission decided to open in the future every one of its sessions with a broad debate of the economic situation in Asia, this debate to be based on the annual survey prepared by the secretariat. In retrospect, I believe it can be said that this was a wise decision. From year to year the debate has improved in scope and in depth. It has helped us to gain perspective and to gain a grasp of the interrelatedness of problems we are facing. Certainly, this year we have all been impressed by the quality of the contributions to the debate made by the speakers who have preceded me, and I want to pay tribute to them.

What I have to say can be roughly divided into three parts. The first will deal with the annual survey<sup>4</sup> and some of the major trends in the economic development of the region which it reveals.

<sup>3</sup> Statement made on Mar. 20.

<sup>4</sup> *Economic Survey of Asia and the Far East, 1956* (available at U.N. sales offices; price, \$2.50).

I shall then report briefly, insofar as this is of interest to the countries in the region, on the situation in my own country; and I will conclude with some observations on our foreign economic policy and its impact on the countries in the ECAFE region.

### The Survey

Let me begin on a positive note. In reading the survey my delegation was pleased to note that 1956 was generally a very good year for the countries of this region. For the region as a whole, food production surpassed previous records. Industrial output in most countries, particularly the processing of agricultural and mineral raw materials, accelerated markedly. Actually this output rose more rapidly for the ECAFE region than in the world as a whole. The level of trade in the aggregate was higher than in 1955, which, you will recall, was also a prosperous trade year.

All this emerges clearly from the lucid text of the annual survey. The secretariat is to be highly commended for its continuing efforts to improve the survey. We particularly wish to commend the secretariat for the preparation of chapter II, which is a maiden effort in surveying the main features of the economic development plans which are now operative or which are under consideration in a number of the countries in the region. We also look with favor on the work which has been done in developing regional indexes.

My Government and my delegation have carefully studied the presentation which is contained in the individual country chapters. Because of our intense interest in this area, we do keep in close touch with developments in the various countries, and, in the light of our own data and analyses, we might have some observations on the treatment which has been given to some countries of the region in the survey. However, I believe, Mr. Chairman, that it would be presumptuous on our part to deal in any specific way with any of these country chapters since we have in our midst fully qualified experts from the countries themselves, some of whom have already pointed out certain deficiencies in the text.

Broadly speaking, we feel that the survey would gain by a greater emphasis on analysis rather than description. Even on the descriptive side, the lack of data for the final months of 1956 re-



duces the value of the report in the case of a number of countries and interferes with the formulation of general conclusions covering the entire region. I recognize, however, that this is probably inevitable. This makes it all the more important that greater emphasis be placed on analysis. In this connection, we are struck to find a certain tendency in some places to confuse a country's goals with its achievements, which is a distinction of some importance.

If I now proceed to a few critical comments on a few specific sections and passages in the report, I hope I shall not be misunderstood. The survey is a remarkable document—better than any previous survey—and none of my comments should be interpreted as an attempt to detract from that fact. My comments are made in a desire to be helpful, to enhance the value of future editions of the survey, and will, I hope, be received in the same spirit.

The introduction includes a statement that “no marked increase in the inflow of private capital was observable, although a few countries modified their regulations to give greater encouragement to private investment.” This statement leaves the impression that new regulations to encourage foreign private investment are not effective. Yet we all are aware that in most cases such encouragement as there has been is of recent origin and often still rests on broad statements of policy which have not yet been carried forward in terms of actual administration.

There are various references to foreign aid in the report, but we feel that at times, as for example on page 6, they give a somewhat distorted and misleading picture of the relative importance of aid received from various countries and international organizations.

There appears to be a tendency to attach more importance to promises of future aid and trade agreements, short-term loans, and reciprocal “gifts” than to substantial economic assistance which has been flowing in increasing volume for many years. In this connection, I should point out that table 7 on page 33, showing United States economic aid in the period 1 July 1955 to 30 June 1956, omits economic aid of the category “defense support,” that is, economic aid designed to assist in the economic development of certain countries in the ECAFE region which are faced with the necessity of maintaining strong forces

to deter aggression. In spite of the perhaps somewhat obscure term “defense support,” aid given under that heading is designed to strengthen the economies of the countries concerned and to assist in their economic development. Under this heading the United States obligated funds totaling \$821 million for eight countries in the ECAFE region for projects involving rehabilitation and expansion of transport, communications, water supplies, irrigation, power, and other types of basic economic development. Such funds are included in Colombo Plan and other international reports describing external aid to this area. To exclude them from the ECAFE report is to understate by several times the assistance given by the United States.

I feel sure that the secretariat will wish to record properly such aid in future ECAFE reports. As for this year, we have asked the secretariat to circulate to the Commission the necessary data to amplify the figures given in the 1956 survey.

The chapter on economic development plans, in our opinion, gives inadequate treatment to the role of the private sector in governmental development plans. The same point was made yesterday by the distinguished delegate of India. The chapter points out the increasing importance of the public sector in plans and programs but fails to point out that the major part of the productive effort in all countries of the region continues to be accounted for by the private sector of the economy. There is sometimes an inclination to think of these activities as being in conflict. We do not share this view. Actually many of the public investment activities of the region, particularly in the establishment of the basic facilities, are designed to support the economic efforts of individuals, groups, and communities. Success in the establishment of basic facilities in the public sector, in fact, makes it possible for private initiative greatly to increase its contributions to the development of the economies of member countries.

I would like to say a word at this point on the efforts of the secretariat to give us a report of developments in the Communist-controlled parts of China. As the Mainland China chapter warns us, the secretariat had to undertake its report on the basis of unverified and unverifiable claims and propaganda statements of the Communist authorities. The result, it is clear, is not satisfactory. A summary of Communist claims, when published

with the factual materials regarding the achievements and problems of the countries of the region, creates an unfair impression of comparability that does not in fact exist. While the qualifications as inserted by the secretariat are obviously essential, there is little which even the most carefully worded introductory statement or footnote can do to remedy this misleading impression.

It is evident that the secretariat cannot hope to sift from the self-seeking propaganda of the Chinese Communists the grudging and intentionally obscured admissions of errors, mistakes, and waste which might introduce a note of realism in the chorus of claims. Apparently to avoid political controversy the secretariat has omitted an appropriate discussion of the human cost of the Chinese Communist system. However, the compulsion and terror of that system is inseparable from its claims of achievement and development.

In the view of my delegation this section of the survey is a mistaken and inevitably unsuccessful effort. It should not be continued. In future surveys the effort devoted to this fruitless undertaking should be concentrated on developments and problems in member countries.

#### **United States Economy Prosperous**

So much for the survey. I would like now to set before the Commission a few significant facts about the economy of the United States. I do so because the prosperity of the United States is a matter of very considerable practical significance for most of the countries of the ECAFE region. Repeatedly in our travels in Asia our people have been asked such questions as: Will the United States continue its present levels of rubber imports? What are the prospects of manganese and burlap? Can the United States supply structural steel on our new bridge projects? Answers to such questions revolve around the prosperity of our many-faceted economy.

The economy of the United States has shown a very high level of prosperity for more than a decade. The rising trend of 1954-55, which was reported to you last year, continued, at a more moderate pace, in 1956. A substantial rise in business activity in the final quarter, coupled with the smaller advances earlier in the year, resulted in a 1956 gross national product (that is, the grand total of the goods and services produced in the United States) estimated at \$412 billion—an in-

crease of \$21.5 billion over 1955. About half of this increase of \$21.5 billion last year, however, was due to rising prices. This inflationary aspect of our prosperity is one which we are watching very carefully for, as our President indicated in his economic report to the Congress in January, our aim is not just prosperity but prosperity with price stability.

Thus, despite some problems to which all sectors of our economy are devoting attention, economic activity in the United States in 1956 was at the highest level ever enjoyed. And we confidently look forward to continued growth in the year ahead.

An important contributing factor to the economic advance in 1956 was the expansion of new productive facilities; capital outlays increased about 20 percent above the 1955 level. This investment strength, particularly notable in equipment expenditures, was all the more remarkable since it followed a similar increase in 1955. Provision for new and better production facilities occurred in virtually all fields of production, transport, and trade but was most marked in manufacturing and public utilities.

This continuation of productive expansion clearly reflects the confidence of U.S. private business and the people of our country in their economy. Contributory to this business confidence are the growing population (which has now reached more than 170 million), our high level of employment (averaging 65 million in 1956), the increasing levels of income and consumer spending, the new vistas opened up by technological developments, and the continuation of sound government policies including a balanced budget and maintenance of a sound currency which lay the base for orderly expansion by our free-enterprise system.

#### **Trade Levels and Policies**

Growing foreign trade and investment were among the expansionary forces of our economy in 1956. Preliminary data show marked increases over 1955 levels in exports and imports of both goods and services. Merchandise shipments abroad, which constitute about three-fourths of our exports of goods and services, were nearly \$3 billion larger than in 1955, reaching a record high of \$17 billion. Goods shipped to the United States rose more than \$1 billion—to a new record high of nearly \$13 billion.



Contributing to the overall increase in U.S. trade in 1956 was our trade with countries of the ECAFE region. Supplying about 13 percent of our imports and also taking about 13 percent of our exports, this trade rose above 1955 levels, 5 percent for imports and 27 percent for exports for 11 months of the year. The increase in our purchases reflected larger shipments, in terms of value, of jute and burlap, tungsten, coconut oil, and textiles and other manufactured goods from Far Eastern sources while at the same time imports of some other commodities such as rubber, tin, and tea showed modest declines. On the U.S. export side, the rise was accounted for by larger shipments of a wide variety of machinery and other manufactures and agricultural commodities.

The prospect for further increases in our trade with countries of the ECAFE region in 1957 is generally favorable. Our high level of economic activity, together with Asian plans for economic development, presage a continued high level of trade beneficial to all concerned.

The United States as a matter of principle believes in and supports a liberal foreign trade policy. We, like other countries here represented, recognize the need to move cautiously, for strong interests and emotions are involved, but the broad pattern of movement is steadily toward more liberalized trade.

In order to further facilitate the growth of trade and in support of multilateral actions taken under the General Agreement on Tariffs and Trade (GATT) and in the interest of lessening trade barriers and discriminatory restrictions, our President has recently called for the prompt enactment of legislation approving U.S. membership in the proposed Organization for Trade Cooperation (OTC).<sup>5</sup> Through this organization, which my Government hopes will soon be established, the GATT can be made a more effective instrument.

Steps taken by my country in 1956 toward expanding world trade include the enactment of a second Customs Simplification Act,<sup>6</sup> increased assistance to exporters and increased credits to foreign countries by our Export-Import Bank, a stepped-up participation in international trade fairs, and the sending abroad of a greater number of trade missions.

<sup>5</sup> BULLETIN of Apr. 22, 1957, p. 657.

<sup>6</sup> For a statement by President Eisenhower on the Customs Simplification Act of 1956, see *ibid.*, Aug. 13, 1956, p. 273.

Shipments of U.S. surplus farm products into the stream of world trade have become increasingly important this past year. Additional surplus sales agreements under U.S. Public Law 480 have been signed with several countries in the ECAFE region, including large ones with India, Pakistan, and Indonesia. Every effort is being made—and as the record shows, successfully—to administer the program with due regard to customary markets abroad, so as not to injure in any way the established markets and trade interests of any country. The true significance of the program lies not only in the fact that it helps to meet or avoid acute famine conditions. It has proved an effective means to counteract inflationary tendencies in countries which are in a state of rapid economic development, resulting in increased purchasing power and consumer demand. The use of counterpart funds, derived from such sales, for development purposes has facilitated the financing of development projects essential to the economic growth of the countries concerned.

#### Investment Developments

I should like next to comment on U.S. investment policies and activities. The United States is endeavoring to expand the flow of private investment funds to other countries—wherever possible as a preferred alternative to Government loans, grants, and other assistance. We believe that, to the extent private investment can provide the needed financial resources in Asian countries, the advantages would be many. Private investment has the virtue of being a thoroughly tested vehicle for the export of managerial and technical know-how in one package. Such investment also facilitates the selection of projects designed to meet essential consumer wants. And it helps to transmit the qualities of innovation and enterprise so fundamental to economic progress. It is for these reasons that my Government continues to stress the importance of private investment and urges other countries to encourage it. Direct private investment is more than financing; it combines finance, knowledge, technical ability, and facilities for training local personnel.

Private U.S. capital investments abroad, which were almost \$1.2 billion in 1955, more than doubled in 1956. Although U.S. investment in the ECAFE region is relatively small compared to that in areas closer to home, it is slowly increasing. And

with additional efforts on the part of countries of the region to develop investment climates conducive to private foreign investment we would hope that this pace could be accelerated.

We continue to negotiate treaties of friendship, commerce and navigation with countries in the region. These treaties are in the nature of specific assurances of fair treatment for nationals of each party who wish to trade, or invest, or run a business enterprise in the other country. This past year the Republic of Korea has joined the group of ECAFE countries which have concluded such treaties with us. Several other countries are now negotiating or considering such treaties. We also stand ready to enter into additional investment guaranty agreements. So far, five such agreements have been concluded with five countries of the region.

The United States has negotiated treaties to avoid double taxation with a number of countries throughout the world, including two in the ECAFE area. In his recent economic message to the Congress the President has called for further facilitating private investment abroad by additional tax treaties which "subject to appropriate safeguards, recognize the [income tax] laws of other countries designed to attract new investment."<sup>7</sup>

As one of the measures to encourage the greater flow of private capital we are continuing to expand and improve our program of advisory and informational services to U.S. businessmen; we are trying to provide them with more and better information on the investment situation of countries of this region. Our trade missions to various countries in the area have been successful not only in developing new trade opportunities but have also found in some areas tangible investment prospects which have been brought to the attention of U.S. businessmen. In this connection I wish to emphasize that our efforts would gain in effectiveness if they were more fully matched by similar promotional activities on the part of the countries of the ECAFE region. Many interested businessmen have told us that they have great difficulty in learning about opportunities to invest abroad, although I am the first to recognize that the situation is improving.

This past year witnessed the inauguration of the

International Finance Corporation, an affiliate of the International Bank, which provides new opportunities for private enterprise by encouraging equity investments. We are particularly glad to see that so many of the countries of the ECAFE region are participating as members in this new source of development financing and hope that its facilities will be fully utilized.

### **Economic Aid**

Continuation of economic assistance to the free nations of the world is a keystone of my Government's efforts to promote peace and well-being for all people. United States aid under our economic and technical cooperation program to countries of the ECAFE region, including the so-called defense support which I mentioned earlier, amounted to about \$950 million in fiscal year 1956 and in fiscal year 1957 will be of the same order of magnitude. In addition, the Export-Import Bank disbursed loans amounting to over \$100 million in 1956, and Public Law 480 agreements made with countries of the region amounted to \$822 million up to the end of 1956.

In addition to these country programs, the President's Asian Economic Development Fund remains available until June 30, 1958, for projects which are beneficial to two or more countries of the region. Notable among such projects now approved or getting under way are the telecommunications projects of Southeast Asia—for which an engineering survey contract has been signed—and the India-Nepal roads project designed to facilitate trade and transit between these two countries. Furthermore, the United States Government has announced that it is prepared to use about \$20 million of this fund for an Asian Regional Nuclear Research and Training Center in Manila.<sup>8</sup> This cooperative project could provide facilities for training and research in the fields of medicine, agriculture, and industry, applying the new techniques of atomic energy.

The United States, through its atoms-for-peace program, is assisting countries throughout the world in their programs for using atomic energy for peaceful purposes. This program includes the exchange of information, assistance in training

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<sup>8</sup> For a statement by Assistant Secretary Robertson on the Asian Regional Nuclear Center, see *ibid.*, Dec. 17, 1956, p. 957.

<sup>7</sup> *Ibid.*, Feb. 11, 1957, p. 224.



technical personnel, and aid in securing specialized equipment and essential components. Bilateral agreements have now been completed with several countries of the ECAFE region, and it is hoped that this area of cooperation will be extended both by way of bilateral agreements and through the new International Atomic Energy Agency when it comes into existence.

In all of our programs my country is devoted to the development of ever closer working relationships with the countries of the ECAFE region. We wish to see constantly increasing standards of living, and our policies and programs are designed to assist in the achievement of this objective. By working together we believe that the independence, security, and well-being of all our countries can be maintained and strengthened.

#### **REPLY TO SOVIET OBSERVATIONS ON ECONOMIC SITUATION\***

The representative of the U.S.S.R. saw fit this morning to make certain direct attacks on my country. In the course of his speech he produced all kinds of misstatements which make a reply on my part mandatory. I am sorry that this has become necessary. In my own speech on "The Economic Situation in Asia" I never mentioned the U.S.S.R., in order to save the Commission from the kind of propaganda and mudslinging which has vitiated so many United Nations debates in the past. But too many statements were made by the representative of the U.S.S.R. which cannot remain unchallenged.

I shall take up only a few.

The representative of the U.S.S.R. found it necessary to launch a violent attack on private investment, which he evidently considers as ruinous and undesirable in any shape or form. The implication of this attack is clear: the representative of the U.S.S.R. recognizes only the Communist form of economy. It is the economy which he wants to impose by every possible means on the region. By contrast, I want to remind you that in my own initial statement I took a much more balanced view. I explicitly recognized the importance of the public sector. I pointed out that both the public and the private sectors are important and have to be cultivated and developed to

achieve maximum results in the interests of the region. I made it clear that we have no intention of imposing our views on this region.

In this connection the representative of the Soviet Union made much over what he calls "foreign monopolies." I submit that it would have been most helpful if he had looked at the realities of today rather than at the yellowed, dog-eared pages of Soviet Communist textbooks and propaganda pamphlets.

Had he looked at realities, he would have known that my Government has established strict controls over the formation of large combinations of business, that we have effective laws to break up any monopolies, and that these laws are effectively applied. We are a "capitalist" country, yes. But our brand of capitalism is a *social* capitalism, and more and more of our workers—millions of them—share in our business enterprises.

As was pointed out so cogently by the representative of the United Kingdom, it does not behoove the representative of the U.S.S.R. to speak of monopolies in the Western World, for he represents the most complete monopoly, the most pervasive monopoly, the world has ever seen. It is a monopoly which does not only control or, rather, own the economy of his country, but it is a monopoly which has deprived every individual in his country of his basic freedoms and which controls him body and soul. In their foreign politico-economic programs, the small group of leaders of this monopoly can change the direction of their trade by a stroke of the pen, and woe to those countries which have become dependent on the U.S.S.R. and dare to have any ideas of their own. There is no security for them either economic or otherwise, no assurances that they will be allowed to develop their economies in their own interest.

The representative of the U.S.S.R. said that his country does not look for profit. He is right in the sense that the rulers of the U.S.S.R. do not look for profit *alone*. They look for economic and political domination. In the satellite countries of Eastern Europe they have perverted the economic development of the Eastern European states to suit the ends and interests of the Soviet Union. They forced them to develop certain types of industries which these states did not want and which are designed primarily to support the Soviet Union. The consumers in these countries—Poland and Hungary, and others—

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\* Statement made on Mar. 23.

were left in a pitiable state of unmet needs. At this point I could quote at length from statements made by Communist leaders such as Gomulka and Lange in Poland, who had the courage to speak up against the encroachments of Soviet communism in the interests of their countries. I could quote from Hungarian leaders, Communists themselves, telling the same sorry story. Some of these leaders are dead, felled by Russian arms, but their words live on.

The monopolists of Moscow have created so-called joint companies in what they consider their dependencies. These companies serve to channel the profits of economic progress in such countries as Rumania and Yugoslavia to the Soviet Union. Marshal Tito and others had much to say on this subject at different times. One of Marshal Tito's first acts after he had regained freedom for his country was to liquidate these companies.

The representative of the U.S.S.R. also enlarged on the benefits of U.S.S.R. trade with the region. He gave the impression that the future of this region depended to a large extent on this trade. We have no objection to such trade, even if we had the right to object in the case of countries which do not stand formally condemned for aggression. But to show up the real importance of this Soviet trade, I will quote only two figures culled from official ECAFE statistics. These statistics show that the trade of all of Eastern Europe, including the U.S.S.R., with the region based on trade figures for the first half of 1956 and computed at the annual rate amounted to \$220 million for the year 1956. The trade of the U.S.S.R. alone amounted to a pitiful \$40 million. The trade of the United States alone with the region in the same period amounted to approximately \$3.4 billion, according to ECAFE figures. Later figures of my Government show that our trade for 1956 with the region amounted to approximately \$3.9 billion. This is just about 100 times greater than the trade of the Soviet Union.

The representative of the U.S.S.R. also waxed most indignant when he spoke about "military aid" by the United States to the region. All I can say is that his statements on this subject presented a deliberate perversion of fact.

I did *not* speak of our "military aid," which is substantial and designed to give the countries of the region a measure of security which will enable them to build up and develop their economies

peacefully and in freedom, and to raise the standard of living of their people without fearing that they might become victims of totalitarian oppression. I did not speak of this aid. I spoke about "defense support," which is something quite different. Defense support is essentially economic aid. It means new roads and other transport facilities, water and irrigation developments, support for the creation and development of new industries. It means work for large numbers of workers and a general incentive to economic development. I am grateful to the representative of Viet-Nam for already having pointed this out.

The remarks of the representative of the U.S.S.R. were far off the point. I can only conclude that my own dispassionate remarks on this subject were such a source of embarrassment to the representative of the U.S.S.R. that he lost all sense of perspective and direction. I am sorry I embarrassed him.

In conclusion, I again regret that I had to enter into this discussion. We have differences with the U.S.S.R., but they should not be fought out on the backs of the toiling masses, the peoples of this great continent, and they should not interfere with our work here. But I had to set the record straight. Basic issues are involved, and the least we can, we must, do is to put before the peoples of Asia and the Far East clear-cut, unvarnished, and verifiable facts so that they may act in full knowledge of the facts and choose wisely as they feel their way, *their* way, toward a greater future.

## **Current U.N. Documents: A Selected Bibliography**

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- Financing of the Economic Development Plans of the Trust Territory of Somaliland Under Italian Administration. T/1296, January 30, 1957. 128 pp. mimeo.
- Examination of the Annual Report on the Administration of the Cameroons Under British Administration, 1955. T/1302, March 6, 1957. 9 pp. mimeo.
- Examination of Conditions in the Trust Territory of the Cameroons Under French Administration. T/L.736, March 7, 1957. 31 pp. mimeo.
- Examination of Annual Reports. Observations by the United Nations Educational, Scientific and Cultural Organization concerning the annual reports for 1955 on the Trust Territories of Tanganyika, Ruanda-Urundi, the Cameroons under British Administration, the Cameroons under French Administration and Togoland under British Administration. T/1304, March 12, 1957. 71 pp. mimeo.
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Economic Development of Under-Developed Countries. Co-operatives. Report by the Secretary-General under Economic and Social Council resolution 512.C.II (XVII). E/2950, February 6, 1957. 54 pp. mimeo.

United Nations Sugar Conference 1956. International Sugar Agreement of 1953 as amended by the protocol opened for signature at London on 1 December 1956. E/Conf.22/8, February 7, 1957. 24 pp. printed.

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Commission on the Status of Women. The Employment of Older Women Workers. Report prepared by the International Labor Office. E/CN.6/298, February 7, 1957. 44 pp. mimeo.

Economic Commission for Asia and the Far East. United Nations Technical Assistance in Asia and the Far East 1956. E/CN.11/443, February 8, 1957. 25 pp. mimeo.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Finance

Articles of agreement of the International Finance Corporation. Done at Washington May 25, 1955. Entered into force July 20, 1956. TIAS 3620.

*Signature:* Union of South Africa, March 26, 1957.

*Acceptances deposited:* Union of South Africa, April 3, 1957; Chile, April 15, 1957.

##### International Court of Justice

Statute of the International Court of Justice (59 Stat. 1055).

*Declaration recognizing compulsory jurisdiction deposited:* Sweden, April 6, 1957.<sup>1</sup> Effective for a period of 5 years from that date, and thereafter for successive 5-year periods subject to notice of abrogation at least 6 months before the expiration of any such period.

##### Trade and Commerce

Agreement on the Organization for Trade Cooperation. Done at Geneva March 10, 1955.<sup>2</sup>

*Signature:* Denmark, April 5, 1957.

Protocol amending part I and articles XXIX and XXX of the General Agreement on Tariffs and Trade. Done at Geneva March 10, 1955.<sup>2</sup>

*Signature:* Denmark, April 5, 1957.

Protocol amending the preamble and parts II and III of the General Agreement on Tariffs and Trade. Done at Geneva March 10, 1955.<sup>2</sup>

*Signature:* Denmark, April 5, 1957.

Protocol of organizational amendments to the General Agreement on Tariffs and Trade. Done at Geneva March 10, 1955.<sup>2</sup>

*Signature:* Denmark, April 5, 1957.

Procès verbal of rectification concerning the protocol<sup>2</sup> amending part I and articles XXIX and XXX, the protocol<sup>2</sup> amending the preamble and parts II and III, and the protocol<sup>2</sup> of organizational amendments to the General Agreement on Tariffs and Trade. Done at Geneva December 3, 1955.<sup>2</sup>

*Signature:* Denmark, April 5, 1957.

#### BILATERAL

##### Germany

Agreement on the model contract containing standard contract clauses referred to in article 16 of the agreement of April 4, 1955, relating to offshore procurement (TIAS 3755). Effected by exchange of notes at Bonn April 4, 1955. Entered into force February 7, 1957.

##### Guatemala

Research reactor agreement for cooperation concerning civil uses of atomic energy. Signed at Washington August 15, 1956.

<sup>1</sup> Applicable only in respect of disputes arising with regard to situations or facts subsequent to Apr. 6, 1947.

<sup>2</sup> Not in force.

*Entered into force: April 22, 1957 (day on which each Government received from the other written notification that it had complied with statutory and constitutional requirements).*

## Japan

Agreement providing for Japan's financial contributions for United States administrative and related expenses during the Japanese fiscal year 1957 under the mutual defense assistance agreement of March 8, 1954 (TIAS 2957). Effected by exchange of notes at Tokyo April 19, 1957. Entered into force April 19, 1957.

## Korea

Air Transport Agreement. Signed at Washington April 24, 1957. Entered into force April 24, 1957.

## United Kingdom

Agreement amending the agreement of July 21, 1950, relating to the Bahamas Long Range Proving Ground (TIAS 2099). Effected by exchange of notes at Washington April 1, 1957. Entered into force April 1, 1957.

# DEPARTMENT AND FOREIGN SERVICE

## Confirmations

The Senate on April 8 confirmed Francis H. Russell to be Ambassador to New Zealand. (For biographic details, see press release 171 dated March 22.)

The Senate on April 17 confirmed Gerald A. Drew to be Ambassador to Haiti. (For biographic details, see press release 158 dated March 18.)

## Designations

Otto F. Otepka as Deputy Director, Office of Security, effective April 7.

Howard P. Jones as Deputy Assistant Secretary for Far Eastern Affairs, effective April 21.

## Resignations

Joseph Simonson as Ambassador to Ethiopia. (For text of Mr. Simonson's letter to the President and the President's reply, see White House press release dated April 11.)

## PUBLICATIONS

### Recent Releases

*For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.*

**Foreign Affairs.** Pub. 6443. General Foreign Policy Series 113. 12 pp. Limited distribution.

A pamphlet containing excerpts from President Eisenhower's state of the Union message, January 10, 1957.

**Highlights of Foreign Policy Developments—1956.** Pub. 6451. General Foreign Policy Series 115. 19 pp. 15¢.

A new release in the *Background* series prepared as a readily accessible source for reference to some of the major events and pronouncements affecting U.S. foreign policy during calendar year 1956.

**NATO—Its Development and Significance.** Pub. 6467. General Foreign Policy Series 116. 61 pp. 30¢.

A pamphlet giving information concerning the origin, purposes, organization, and accomplishments of the North Atlantic Treaty Organization. Two appendixes contain the texts of the Report of the Committee of Three on Non-Military Co-operation in NATO and the North Atlantic Treaty.

**The General Agreement on Tariffs and Trade—Negotiations Under the Trade Agreement Act of 1934 as Amended and Extended.** Pub. 6470. Commercial Policy Series 162. 9 pp. Limited distribution.

A pamphlet giving notice of U.S. intention to negotiate with certain contracting parties to the General Agreement on Tariffs and Trade, a list of products to be considered, and notice of public hearings by the Committee for Reciprocity Information.

**Surplus Agricultural Commodities.** (Corrected print.) TIAS 3697. 5 pp. 5¢.

Agreement between the United States of America and Turkey—Signed at Ankara November 12, 1956. Entered into force November 12, 1956.

**Passport Visas.** TIAS 3743. 4 pp. 5¢.

Agreement between the United States of America and Ceylon. Exchange of notes—Dated at Colombo August 25 and September 7, 1956. Entered into force September 7, 1956.



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Release issued prior to April 22 which appears in this issue of the BULLETIN is No. 192 of April 5.

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| 230  | 4/22 | GATT Intersessional Committee (rewrite).                            |
| †231 | 4/22 | FSI Advisory Committee (rewrite).                                   |
| *232 | 4/22 | Educational exchange.                                               |
| 233  | 4/22 | U.S.-Sudan communique on Richards talks.                            |
| 234  | 4/23 | U.S. representative to 12th session of ECE (rewrite).               |
| 235  | 4/23 | Richards press statement, Yemen.                                    |
| 236  | 4/23 | U.S.-Ethiopia communique on Richards talks.                         |
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| †240 | 4/24 | Kalijarvi: "The Road Ahead for Foreign Trade Policy."               |
| 241  | 4/24 | Lodge letter requesting Security Council discussion of Suez Canal.  |
| 242  | 4/24 | Delegation to South Pacific Commission review conference (rewrite). |
| †243 | 4/24 | Delegation to NATO Ministerial Meeting.                             |
| *244 | 4/24 | Inter-American Committee of Presidential Representatives.           |
| 245  | 4/24 | Rountree: "The Middle Eastern Policy of the United States."         |
| †246 | 4/25 | Berding: "The Public Relations of Dynamic Peace."                   |
| 247  | 4/25 | Visit of President Diem of Viet-Nam (rewrite).                      |
| †248 | 4/25 | U.S. reply to Hungarian note on Capt. Gleason.                      |
| 249  | 4/26 | Lodge: statement on Suez Canal.                                     |

\*Not printed.

† Held for a later issue of the BULLETIN.

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**A Case History of Communist Penetration • • •  
G U A T E M A L A**

The "lesson of Guatemala" brought home to the Americas the realization that international communism, over a long period of time, has been developing plans to penetrate this hemisphere, to create conditions leading to civil strife, and to work for the dissolution of the inter-American system. In Guatemala communism had in fact seized control of the Government.

*A Case History of Communist Penetration—Guatemala*, a 73-page pamphlet, discusses the social and political climate leading to Communist infiltration of the country, the beginning organizations and later the coming into the open of the Communist Party, the eventual success of the anti-Communist forces of liberation, and the aftermath of the revolution. Included is the text of the important Caracas Declaration of Solidarity for the Preservation of the Political Integrity of the American States Against International Communist Intervention.

The pamphlet also contains a listing and brief description of the principal political parties, labor unions, federations, and syndicates, other mass organizations, and individuals playing a part in the series of events.

Copies of this publication may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C., for 30 cents each.

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# Bulletin

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May 20, 1957

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THE DEPARTMENT OF STATE

# Bulletin

VOL. XXXVI, No. 934 • PUBLICATION 6495

May 20, 1957

*The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.*

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PRICE:  
52 issues, domestic \$7.50, foreign \$10.25  
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 19, 1955).

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# Appeal for Partial Restoration of Proposed Cuts in State Department Appropriations

*Statement by Secretary Dulles*<sup>1</sup>

I come here to appeal with respect to \$29,228,000 of \$47,331,000 which the House of Representatives would cut from the \$227,714,000 appropriation that the President requested to enable the State Department to conduct our foreign relations during the coming year.

The President has said that each Department would publicly state whether it could absorb cuts proposed by the Congress or whether it felt such cuts would be harmful to services rendered to people by the Federal Government. We believe that \$18,103,000 of the proposed cuts can be absorbed. They represent highly desirable expenditures. But certain building operations and special events can be postponed without serious harm. With respect to \$29,228,000 of the proposed cuts, there would be harm to the Nation which, in the opinion of the President and myself, would be real and grievous.

Under our Constitution the President has the primary responsibility for making and carrying out the foreign policy of the United States. It is his conviction, as it is mine, that the foreign policy required to maintain peace and freedom cannot be carried out with adequate effectiveness if this \$29 million cut by the House of Representatives is maintained.

Never before in history has a nation had the degree of worldwide responsibility for the maintenance of peace that is now carried by the United States. Our responsibilities are mounting almost daily. Whether or not they can be adequately discharged depends not just upon the broad prin-

ciples proclaimed by America's leaders. It depends directly upon the performance of those who, in the Department of State and in 81 countries, carry on the day-by-day task of waging peace and defending freedom.

Theirs is a hard task, one that is seldom dramatic. Their devotion in representing America, their skill and training in the task of explaining our purposes and prevailing upon others to share those purposes, their everlasting dedication to the cause of peace with justice, are all vitally important to the welfare and safety of each of us. They make efforts and sacrifices in the service of our country that have no reward except a knowledge of duty well done. And the success of those efforts is the sparing to our country of the infinitely greater costs and sacrifices that would be involved if war were to occur. But their efforts will not prevail if they are inadequate in numbers and training and if they lack essential facilities for gathering and communicating information.

If the House cuts were to stand, they would require us:

To cut our personnel by abolishing some 700 positions when expansion is needed to meet growing responsibilities and relieve excessive strains.

To cut the use of cable communications when it is peculiarly necessary that there be intimate, prompt, and full communication between the Department of State and those in the field.

To cut our allowances to field officers for informal contacts when more than ever diplomacy depends upon such contacts.

To cut the training of our officers, notably in

<sup>1</sup> Made before a subcommittee of the Senate Committee on Appropriations on Apr. 30 (press release 255).

languages, when there is more than ever need to communicate directly with those who speak other tongues.

The total effect of these cuts would be to breach gravely the front line of our defense of peace and freedom in the world. Both the President and I believe that the disparity has never been so great between the amount to be saved and the risk to be assumed.

### **Growing Responsibilities in Diplomatic Relations**

Before dealing specifically with such aspects of the problem, I should like to illustrate the upward trend of our international responsibilities.

(1) The number of nations with which we have to deal is rapidly increasing. Since 1945 there are 19 new nations and the 20th (Malaya) will proclaim its independence at the beginning of our next fiscal year. Several others have had their sovereignty made more nearly complete. The membership of the United Nations has grown from 51 in 1945 to 81 at the present time.

(2) Each of these nations has today its own independent importance. Once, only a few missions were really important. But today virtually every nation presents challenging problems where failure of our diplomacy in any one could have a chain reaction.

(a) We now have collective defense relations with 42 nations, and the area of collective defense may be further increased under the recent Middle East resolution.

(b) The less-developed countries of Asia, now including a dozen newly independent nations, are increasingly alert and sensitive to their opportunities and responsibilities.

(c) The Soviet bloc of countries in Europe is no longer wholly sealed off. There are growing possibilities in diplomatic relations.

(3) The government which principally challenges freedom and which principally endangers the peace—that of the Soviet Union—has been rapidly enlarging its diplomatic service. Between 1953 and 1957 it has more than doubled its officially accredited governmental representatives in Western Europe, the Middle East, and the Americas (Western Europe from 840 to 1,998; the Middle East from 454 to 836; the Americas from 360 to 554).

(4) An indication of our mounting responsibilities is the volume of telegraph traffic. It will total about 35 million word groups in the current fiscal year, as against 21 million word groups in fiscal year 1953.

(5) Passport applications increased by 37 percent between fiscal year 1953 and fiscal year 1957, and visas issued by the Foreign Service during the same period increased by 47 percent.

(6) An entire continent—Africa—is looming larger and larger as a vital area of the future, and international communism intensively seeks to master the awakening spirit of its people.

In the face of a threat to peace and freedom which all must admit to be grave, the United States, through historical evolution, has the primary responsibility of maintaining such voluntary cohesion in the free world that its members will not one by one be taken over by international communism. That task, as delicate and difficult as it is vital, is the high task of the Department of State and the Foreign Service.

The entire appropriation which the Department of State seeks amounts to about one-third of one percent of the total United States budget. But we recognize that there must be economy wherever it can be achieved. Therefore, of the \$47 million of cuts voted by the House, we accept \$18 million. This \$18 million, relating to building activities and special events, although desirable, can be postponed without impairing vital interests. But the balance of the proposed reduction, \$29 million, would be a false economy, not compatible with the peace and security of the United States.

Let me now take up some of the specific items.

### **Salaries and Expenses**

The Department of State is requesting \$112 million for salaries and expenses. The House has cut this amount by nearly \$19 million to about the 1957 figure. The House report implies that this would leave the Department and the Foreign Service in a budgetary position no worse than in fiscal year 1957. That is not the case. If the Department is to maintain in fiscal year 1958 merely its present level of operations, approximately \$6.3 million more will be required than was appropriated for 1957. This results from such factors as increases in costs of wages and rents abroad and the necessity to pay for a full year the salaries of



those employees—if they are to be retained—who did not draw a full year's salary during 1957 because they were recruited at various times during that year.

However, it is not good enough merely to stand still at the present level. In the face of growing responsibilities, we do not have the personnel, facilities, and, in certain instances, the skills to perform with necessary effectiveness the tasks imposed upon us.

Too many people have to work overtime in the Department of State and the Foreign Service. We do not regularly keep track of overtime. But the Bureau of Far Eastern Affairs reports a grand total of 119 years of uncompensated overtime performed in Washington in the past 2½ years and in the field in the past year and one-half. This is typical. It is bad for health and efficiency. It places excessive strains upon our staff, and that is dangerous not just for them but for the Nation.

If the action taken by the House is accepted by the Senate, the Department will suffer from handicaps such as the following:

(1) We shall have to cut, somewhere, somehow, about 700 present positions.

(2) We shall not be able to obtain the increased coverage needed in the vital areas of the Middle East and Africa.

(3) We shall not be able to keep pace with political and economic developments in the Far East, where the Chinese Communist regime daily steps up its efforts to frighten and subject those neighboring nations which are free.

(4) We shall have to cut, rather than increase, the speed and scope of communication between Washington and our overseas missions. That need was illustrated last week in relation to Jordan. Communications to our Embassy there of highest priority involved delays of upwards of 24 hours because of inadequate decoding facilities. One cable received last week from our Ambassador in Jordan contained this paraphrased language: "I learn through the Ambassador of . . ., who is kept informed by his Embassy in Washington, that there is a proposal for . . ."

Such dependence of our ambassadors upon foreign embassies is frequent. It is not due to our inattention but to the need to economize in terms of cable expense. There is need for more funds to spend on cables and for additional communication facilities to meet possible emergencies.

These facilities must be provided in advance of, and not after, the emergency which calls for them.

(5) We shall not be able to meet the steadily increasing need for travel of our foreign representatives for home and regional consultations.

(6) We shall not be able to meet our responsibilities for leadership by advance planning. The complaint is sometimes made that the State Department does not do sufficient advance planning. There is more than is known. Nevertheless, I recognize that there should be still more. But we cannot do more forward and contingent planning when our personnel is inadequate even to meet the pressing needs of day-by-day events.

(7) We shall not be able to implement the provisions of law which would provide assistance for meeting the costs of medical expenses incurred by Foreign Service officers on behalf of their dependents.

(8) We shall be unable to assist in the establishment and maintenance of welfare facilities at the more isolated and unhealthful hardship posts where no suitable facilities exist.

(9) We shall not be able to provide a reasonable transfer allowance to employees for certain costs which they sustain solely because they move in the interests of the United States under government orders.

(10) We shall be unable to advance our program of recruiting into the Department and the Foreign Service the best products of the colleges and universities. In 1956, there were 12,500 qualified applicants for entry into the Foreign Service. This compares with about 1,500 a few years ago. It is immensely important that highly qualified young men and women pick the Foreign Service as a career. But this enthusiasm cannot be sustained if we have to close down on accepting and training new recruits.

The preceding recital is inadequate in that it deals largely with specific problems in specific areas. Much of the impact of the budget cut for salaries and expenses would not be subject to such measurements. Its impact will permeate the entire Department from top to bottom, and the Foreign Service in every corner of the world. It will, I fear, depress the high morale of the personnel of the Department and the Foreign Service.

These men and women for the most part are

inspired by a sense of patriotism. They work not for themselves but for their country. During recent years, as I have visited upwards of 40 countries, I have made it a point to meet and talk with our mission staffs. On each such occasion I have assured them that the President, the Congress, and the Nation respected and appreciated their efforts for peace and freedom in the world. It is my plea that the vote of the House be not the final verdict of the Congress.

#### **Foreign Service Institute and Training for Foreign Service**

We seek approximately \$5 million, or 21½ percent of the State Department's total budget, for the Foreign Service Institute and our training program. Of this, about \$3 million goes to paying the salaries and expenses of the trainees and about \$2 million is actual training costs.

Practically all the increase requested for actual training costs—an increase of \$650,000—is to provide training in one of the so-called world languages. Today fully one-half of our officers do not have useful knowledge of French, Spanish, or German. Approximately 70 percent of the new officers entering the Service do not have a "useful" knowledge and facility in any foreign language.

A few years ago it was found necessary to relax the language requirements for entry into the Service because, generally speaking, our high-school and college educational system does not produce students able to speak foreign languages. But this makes it the more imperative that we ourselves provide language facilities for those who elect to enter the Foreign Service.

The usefulness of officers without language skills is limited, particularly at the lower level. It is imperative that this situation be remedied.

#### **Representation Appropriation**

I turn now to the matter of the representation appropriation. The Department is requesting \$1 million for fiscal year 1958. The House has cut this request, in effect, to \$672,800. I wonder how many recall that a decade ago, in 1947, the Congress allowed \$800,000 for this item. In terms of comparative purchasing power the retrogression is even greater than the dollar figures indicate. The value of the representation dollar has declined by at least 25 percent since

1947. And there will be at least 11 more missions in 1958 than in 1947.

The debate in the House on this item gave rise to some levity. It is, I submit, no laughing matter. To an increasing degree diplomacy is conducted outside of the office and outside of office hours. This involves receiving and returning social invitations, participating in local activities, and the like.

Today officers without private means cannot do this adequately; and even if they do have private means, they should not have to meet these costs out of their own pockets.

I recently noted the following statement in *A Century of American Diplomacy*, written by my grandfather, John W. Foster, over 50 years ago:

It may be said to the credit of the Congress [in 1782] that . . . it made liberal allowances to its diplomatic representatives abroad, considering the poverty of its treasury and the large demands upon it for the conduct of the war. The annual allowances to Dr. Franklin and Messrs. Adams and Jay were over \$11,000 each—a more liberal sum than is granted to our representatives at those capitals today, if the relative cost of living is taken into consideration.

#### **International Contingencies**

The House has cut our request for the international contingencies appropriation from \$2.5 million to \$1.5 million. This is the fund out of which the United States pays the cost of its participation in all international conferences. In the nature of the case the precise timing and duration of these conferences cannot be foreseen because they depend upon circumstances in part beyond the control of the United States. Nevertheless we do know with approximate certainty the number and character of conferences which will be held in the current fiscal year, and these alone according to our estimate will require \$2,185,000 of the \$2.5 million for which we have asked, leaving only \$315,000 to take care of the unforeseen emergencies which experience indicates will arise. The amount allowed by the House action is the same as that available to us for this fiscal year. This we have found to be sadly deficient, as proved by our supplemental request now pending for \$450,000.

#### **International Educational Exchange**

The Department requested \$30 million for the international educational exchange appropriation for 1958. This, together with local currencies



growing out of P. L. 480, would have permitted an overall program of approximately \$35 million. The House approved an appropriation of \$17,575,000 and suggested that with local currencies this would permit a program equivalent to this year's program, which was already below the level for which we had hoped. While this is true as an overall generalization, this cut would, in practice, not permit the operation of a program similar to this year's because foreign currencies can be used in only 33 countries and dependent areas. The programs in the other 54 countries and dependent areas that depend entirely on dollars would have to be cut on an average 35 percent below the present level and 65 percent below the planned level.

International communism shows, in at least one respect, a wisdom which the democracies often seem to lack. They pay much attention to long-range programs. They think not just in terms of the immediate morrow but also of results obtainable in a coming generation. They pay great attention to opinion-forming persons and particularly to those who teach and train the youth.

The Department's educational exchange program does not begin in its scope or cost to match the comparable programs of international communism. It does represent an indispensable minimum effort to insure a better understanding over the years ahead as between the free nations. This program is a vital one in laying a dependable foundation for the interdependence upon which an enduring peace depends.

#### **Miscellaneous**

I shall not, in this oral statement, make specific reference to other actions taken by the House with respect, for example, to the appropriation for missions to international organizations and the several international commissions. Others will discuss these and two other items of particular

interest to the State Department in the President's special international program, namely, the cultural and sports presentation item and the Brussels Exhibition appropriation. I should like to make it clear, however, that in all of these I feel that it is necessary for the Senate to restore the House cuts.

I also urge that the Congress continue to give the Department the degree of flexibility which it has heretofore had in expending the funds appropriated to us. This is particularly pertinent in the salaries and expenses appropriation. Our budget processes require that we prepare our estimates from 6 to 18 months in advance of our expenditures. It is impossible for us to forecast accurately world developments to an extent that would permit us to pinpoint so far ahead what our precise needs are. It is necessary, therefore, that we have reasonable flexibility in the matter of shifting funds, for example, originally intended for personnel to equipment items, and vice versa.

In conclusion, let me say this:

The world is constantly becoming more complex. Also, the danger which could result from matters going wrong is becoming infinitely great; indeed it surpasses human comprehension. It is concurrent with the development of this nuclear age that the United States must carry an increasing share of the responsibility for peace.

Each of the members of this subcommittee is, I know, aware of the international problems that we face and the difficulty of dealing with them. I am confident that you will agree that no investment that the people make in their government pays so high a return as the modest investment required to maintain an adequate and efficient State Department and Foreign Service. That is the best guaranty that our people will, in the words of our Constitution, enjoy in peace the blessings of liberty.

## A New Approach to Mutual Security

*by Douglas Dillon*

*Deputy Under Secretary for Economic Affairs*<sup>1</sup>

During the past year our programs of mutual security have been going through a period of critical reexamination. The complexity of these programs has made them difficult for the American people to understand. There has grown up in many quarters the mistaken impression that the United States, in an attempt to please foreign countries and without adequate thought for its own best interests, has been busy giving away some \$4 billion a year of our taxpayers' money.

Of course nothing could be further from the truth, but there is no denying that this is what foreign aid means to many Americans.

There has also grown up in some quarters a feeling that our economic aid programs may not have been administered in the most effective manner possible, that there may have been unnecessary waste in the use of Government funds abroad.

All this has led to a widespread and thoroughgoing review of our programs for mutual security. This is as it should be, for these are complex and costly programs.

Studies have been made by a Presidential commission, a Presidential advisory board, the Foreign Affairs Committee of the House, a special Senate committee, and by the interested executive agencies of the Government. Universities, business groups, and research institutions have been studying and debating the subject. This current meeting of the American Assembly is but one of many serious attempts by groups of private citizens to find the right answer to this question which is so important to the future of the American people.

In short, this effort at reappraisal has involved not only officials in Washington but also a great many of our most distinguished private citizens, of whom some of the wisest are in this room tonight.

It is our hope that as a result of all this interest, both public and private, the way can be found to redefine, clarify, and simplify the program so that all our people can have confidence that we are pursuing the right objectives in the right way.

### General Guidelines

Are there any general guidelines that we can draw from all this study and thought? Is there any real consensus? The answer is certainly "Yes." Two general conclusions are found in all the reports and studies; they are sometimes expressed with greater or lesser vigor, but they are always present.

First and most important, there is agreement that the continuation of a mutual security program is in the best interests of the United States and that we will have to maintain such a program for a long time to come. So long as international communism exists in its present form, challenging our very existence, either by direct military threats or by economic penetration and subversion, so long as the explosive demands for economic progress in the underdeveloped countries threaten the very existence of free and democratic institutions in those countries, we must maintain some form of mutual security program.

The second general conclusion of all the studies is that there is need for greater clarity in defining what the mutual security program actually is. Both the objectives of the program and the ways

<sup>1</sup> Address made before the American Assembly, at Harriman, N. Y., on May 2 (press release 259).



in which we move to achieve these objectives must be widely understood by the American people, or the program itself will not be supported.

What is the reason for all this confusion about the mutual security program? The answer is simple. We have in the past lumped tightly together under the heading of "mutual security" a bundle of diverse programs, a package with a broad variety of contents. For example, during the last 6 years mutual security has meant 44,000 artillery pieces, 40,000 tanks and combat vehicles, and 7,000 aircraft for the military forces of our allies. It has meant loans to build dams, roads, and harbors. It has also meant technical assistance, such as telling people how to plow, or how to kill mosquitoes so as to avoid malaria.

All of these things, involving an expenditure of approximately \$4 billion, have been lumped together in our budget. It has been difficult, if not impossible, for the American people to know just what part of these funds were going for military purposes, what part for long-term capital development, and what part for technical assistance or for meeting unforeseeable emergencies.

In view of the complexities of this program, it is easy to understand why there is public confusion. Our major efforts are now being devoted to finding a better way to present the program so as to clearly explain its purposes to the American people while at the same time assigning major responsibility for the various parts of the program to the agencies which should have that responsibility.

The general lines of this new approach were first announced by Secretary of State Dulles on April 8th in his testimony before the special Senate committee.<sup>2</sup> The President will send the completed proposal to the Congress later this month. Tonight I would like to give you a brief review of our current thinking.

### **Military Assistance**

First, let us look at the military portion of the mutual security program. It is by far the largest. It includes two kinds of funds.

The first is for military hardware—the actual guns, tanks, planes, etc., which we put into the hands of the Koreans, the Vietnamese, the Nation-

alist Chinese, the Turks, and our other military allies.

The second kind of funds are those required to help those countries which maintain, for our common security, military forces larger than they could otherwise support. This second form of aid is called defense support. A good example of defense support is the economic assistance we provide to Korea to assist in maintaining the 20 divisions of Korean troops which are such an important part of our joint defense against the Chinese Communist threat.

About \$2 billion, or half of the present mutual security appropriation, goes for military hardware. Just under a billion dollars a year is required for defense support. None of this billion-dollar figure goes to our NATO allies in Western Europe. All of it goes to those of our allies who are maintaining military forces larger than they themselves can support. Thus we see that approximately \$3 billion a year, or three-quarters of our mutual security program, goes for military purposes.

All of this military assistance, whatever it takes to equip and maintain strong forces, is an integral part of the defense of the free world and serves the purpose of deterring Communist attack. Admiral Radford, Chairman of the Joint Chiefs of Staff, put the matter plainly last year when he said,

The military aid program is part and parcel of the U.S. Defense Department program. The expenditures abroad in support of our alliances do not differ in purpose, scope, and objective from our own military expenditures. . . . The fact that this part of our program was not included in the Defense Department budget is more a matter of procedure and administration than of substance.

What we intend to do now is to change the procedure. Henceforth, we wish to place all funds for foreign military assistance in the Defense Department budget where they can be recognized for what they really are, part of the United States military security program. We will recommend that this sum of approximately \$3 billion be taken out of the mutual security appropriation bill and be added to the funds which the Defense Department has already requested for the Armed Forces of the United States.

It is the Defense Department that must make the military decision as to how many divisions equipped with American arms are needed to de-

<sup>2</sup> BULLETIN of Apr. 29, 1957, p. 675.

fend the Republic of Korea and other places where we and our allies are facing Communist troops. It seems only plain common sense for the Defense Department to justify to the Congress, and so to the American people, the cost of equipping and maintaining these divisions.

On the other hand, the Defense Department is not organized to do the actual day-to-day administering of the defense support funds required to maintain these allied troops. Although their purpose is purely military, these funds are a form of economic assistance. This assistance can best be administered in the field by the same organization which handles other forms of economic assistance. Therefore, it is proposed that the administration of these defense-support funds be carried out in the field by the ICA, the International Cooperation Administration, which presently administers all United States economic assistance abroad.

### **Economic Aid**

Now let us turn to the purely economic side of the mutual security program, which goes primarily to help the underdeveloped countries of the world. One may ask why should we, the United States, be concerned with their economic progress?

All of the studies which have been made during the past year agree that it is vitally important for the United States to cooperate and assist in the economic development of these countries, whether or not they are allied to us militarily.

It is not hard to see why this is in the national interest of the United States when one considers the revolutionary changes that are taking place in Asia and Africa today. There are 700 million people in the 19 new nations which have come into being since the end of World War II, ranging in population from India, with nearly 400 million, to Libya with slightly more than 1 million. Most of these people, and millions of others in older countries, exist under primitive and backward economic conditions, but modern communications have brought them the knowledge that other people on their planet live in far greater comfort and happiness. So these peoples are pressing their governments to bring them economic improvement and to do it rapidly.

If these underdeveloped countries find themselves unable to move toward the fulfillment of their economic aspirations under free and demo-

cratic conditions, there is real danger of their falling into some form of totalitarianism under which the people would be forcibly deprived of goods and freedom in an effort to achieve the goals of the state. This is the solution offered throughout the underdeveloped regions by the Communists. They say that their system, and only their system, can bring about the rapid economic improvement so much desired. And they are accompanying this propaganda attack by an active campaign of economic penetration and subversion which poses a continuing threat to the stability and peace of these vast and highly populated regions of the world.

It seems clear that the national interest of the United States would be best protected in a world in which free institutions predominate and in which popular aspirations for material improvement and social change can be met by free and democratic governments without recourse to forceful means.

Therefore, it is in our interest to do what we can to help the underdeveloped peoples along and so to make it easier for them to resist the Communist drive. At the same time their advance will help them to participate increasingly in world trade to the benefit of all, including the United States. However, our main motive in extending this sort of assistance is, I think, to further our own enlightened self-interest by helping to maintain a peacefully advancing world in which free and democratic institutions can flourish.

We believe that the best development comes through private capital, domestic and foreign. But within the regions we are talking about there is simply not enough private capital available to do the basic things that must be done. Technical skills are also lacking.

Our part is to supplement this dearth of capital and know-how. Our effort is bound to be small compared to those of the countries themselves, but we can help to stimulate the growth process until such time as private capital and the increasing resources of the people can take over. This, however, can only be a long-haul proposition. Good business demands that we adopt the methods most suitable for long-term operations.

### **Economic Development Fund**

Therefore, the administration intends to propose the establishment within the ICA of an economic development fund, which would be an



agency of the United States similar to the Export-Import Bank.

Instead of the present method of setting dollar figures for assistance to each country every year in advance, instead of creating projects in Washington for construction all over the world, we would expect foreign governments to develop sound projects themselves and to apply for loans to cover the costs of these projects. We would have the time carefully to consider and examine the plans for each project because we would no longer be operating on only a year-to-year basis. After thorough study we would decide each case on its merits.

Loans would be granted only in cases where there was assurance that the project would be carried out competently and where there was reasonable promise that it would contribute directly or indirectly toward the growth of the productive capacity of the recipient country.

The economic development fund would not compete with the World Bank, the Export-Import Bank, or with private sources of capital. Indeed, we contemplate that it would make no loans until assurance had been received that the projects could not obtain financing either from other public institutions or from private sources.

The economic development fund would differ from the World Bank in that projects would not necessarily have to develop the foreign exchange required for prompt repayment in dollars. It is probable that many of the loans from the development fund would be repayable largely in the currency of the borrowing country. For example, a loan to India might be repaid in rupees.

But this repayment in local currency would not rule out possible eventual repayment in dollars. For instance, suppose the fund makes a loan to an underdeveloped country repayable in local currency over a period of, say, 15 or 20 years. After the loan has been repaid, this money might well be loaned again to the same government, but we could reasonably hope that the economic situation of that country would have so improved that it would be possible for this second loan to be repaid at least partly in dollars. In this way the great bulk of such foreign currency loans could eventually be repaid in dollars.

The vital feature of the economic development fund, differentiating it from the present method of operation, is that it would have continuing and

flexible authority to operate on a worldwide basis in the same way the Export-Import Bank now does. It would not have to be authorized all over again each year. Thus, it could plan ahead in the same way that a businessman, a banker, a university president, or a farmer can plan ahead. This should result in far more efficient and effective use of United States funds.

The Export-Import Bank can only make loans for the specific purpose of promoting U.S. exports. Its loans must be repayable in dollars. The new fund would complement the operations of the Export-Import Bank and of the World Bank. It would be empowered to make subordinated loans to support projects favored by these two institutions.

As Secretary Dulles has said, it is our view that loans by the new fund may eventually amount to some \$750 million a year. During the next fiscal year, however, as the fund gets into operation, they could be expected to be considerably smaller.

Aside from these funds for military purposes and for economic development, there remains something less than \$500 million out of the \$4 billion mutual security program total. These funds would be used to cover administrative expenses, the costs of the technical assistance program, and our contributions to international activities such as the International Children's Fund and aid to refugees. They would also cover such emergency grants as might be found necessary and a strictly limited amount of capital assistance for those countries needing help and unable to contract further loans of any sort.

The important point in all this is that the American people should know that what we are proposing to use, both for technical assistance and in all other cases where grants will still be necessary, comes to something less than \$500 million a year, a small percentage of the overall amounts involved in our national budget.

### Three Goals

By this new program, the basic outlines of which I have just described, we hope to accomplish three things:

First, by centering budgetary responsibility for the military portion of the program in the De-

fense Department, where it belongs, we will insure that our military programs are as economical as possible, consistent with the national security.

Second, by putting our economic development largely on a loan basis, administered in a businesslike manner over the long term, we will provide more effective and economical use of these funds so that the American people can be satisfied that they are not being wasted.

Third, and most important, we will clearly show to all our people just what their money is being spent for and why.

By such methods as these—and in my belief only by such methods—can we hope to continue, at maximum usefulness, a reasonable program of mutual security. In closing, I would like to leave one final reminder: This program is a vital ingredient of the platform of security from which true peace will some day come.

## **U.S. Delegation Leaves for NATO Council Meeting**

### **Secretary Dulles' Departure Statement, April 30**

Press release 256 dated April 30

I am leaving for Bonn to attend the Ministerial Meeting of the North Atlantic Council. This will be the Council's first meeting in Germany. The Council's decision to hold its spring meeting in Bonn emphasizes the partnership of the Federal Republic of Germany in this mutual pact for peace.

The full exchange of views which occurs when the foreign ministers of the 15 member nations meet is always important. In the 5 months since the Council met in Paris last December,<sup>1</sup> a series of events have occurred which make this exchange all the more necessary. I am looking forward to hearing the views of the other ministers and to outlining our own.

Recent trends in Soviet policy in Europe and the Middle East will be discussed. Although defense ministers will not be present at this meeting, certain political aspects of Western defense will come up for discussion.

I am looking forward to renewing my association with Chancellor Adenauer and Foreign Min-

ister von Brentano, partly in preparation for their welcome visit to Washington toward the end of next month.

Following the NATO meeting in Bonn, I expect to go to Paris to spend part of a day there meeting with the American ambassadors in Europe. This is an annual meeting of ambassadors convoked to discuss mutual problems and will be chaired by the Assistant Secretary of State, Mr. C. Burke Elbrick. I expect to be back in Washington a week from today.

### **U.S. Delegation**

The Department of State announced on April 24 (press release 243) that the U.S. Government will be represented by the following delegation at the Ministerial Meeting of the NATO Council to be held at Bonn, Germany, May 2 and 3.

#### *United States Representative*

John Foster Dulles, Secretary of State

#### *Special Assistant*

Richard D. Drain

#### *U.S. Permanent Representative to the North Atlantic Treaty Organization and European Regional Organizations*

George W. Perkins

#### *Senior Advisers*

Andrew H. Berding, Assistant Secretary of State for Public Affairs

Robert R. Bowie, Assistant Secretary of State for Policy Planning

David K. E. Bruce, American Ambassador to the Federal Republic of Germany

C. Burke Elbrick, Assistant Secretary of State for European Affairs

Julius C. Holmes, Special Assistant to the Secretary of State

G. Frederick Reinhardt, *Coordinator*, Counselor of the Department of State

Mansfield D. Sprague, Assistant Secretary of Defense for International Security Affairs

#### *Advisers*

John H. F. Haskell, Director, Office of Defense Affairs, United States Mission to the North Atlantic Treaty Organization and European Regional Organizations, Paris

Frederick E. Nolting, Jr., Director, Office of Political Affairs, United States Mission to the North Atlantic Treaty Organization and European Regional Organizations, Paris

Joseph B. Phillips, Public Affairs Officer, American Embassy, Bonn

<sup>1</sup> For text of communique issued at close of meeting on Dec. 14, see BULLETIN of Dec. 24 and 31, 1956, p. 981.



Jacques J. Reinstein, Director, Office of German Affairs,  
Department of State  
B. E. L. Timmons, Director, Office of European Regional  
Affairs, Department of State  
Fraser Wilkins, Director, Office of Near Eastern Affairs,  
Department of State  
Joseph J. Wolf, NATO Adviser, Office of European Re-  
gional Affairs, Department of State

*Assistant to the Coordinator*

Joseph N. Greene, Executive Secretariat, Department  
of State

*Secretary of Delegation*

William H. Bruns, Office of International Conferences,  
Department of State

## The Public Relations of Dynamic Peace

*by Andrew H. Berding*

*Assistant Secretary for Public Affairs*<sup>1</sup>

I feel that I am speaking tonight to an audience that talks the same language I do. We are working in the same field, with the same tools, with the same general objectives. If you in private industry and we in government think of our respective operations more and more in terms of similarity rather than dissimilarity, we will understand one another even better than we do.

Your public relations work involves mass-media relations, community relations, stockholder relations, and employee relations. Our government public relations work involves the same relationships.

You have your contacts with the mass media—press, radio, TV, magazines, motion pictures. We have our contacts with the same media. If there is any difference, it consists in the fact that we have to give answers to questions involving more issues and more countries—and perhaps in the fact that we get more calls at night. How a government spokesman avoids divorce is a mystery to me. His only safe setup is for husband and wife to sleep at opposite ends of the home.

You have your community relations, and so do we. The whole American people are the community we serve. The American public is

grouped into organizations as are few other peoples in the world. These groups play increasingly important roles in our national life. We maintain close cooperation with them.

You have your stockholder relations, and so do we. Our stockholders are the American people. They have a right to know what the chairman and the board of directors of their company are planning, doing, and saying. They furnish the money, and they need to know where the money goes.

If there is any difference here, it lies in the fact that, in essence, we hold a stockholders meeting every day. To many of you that must be an appalling thought. In any event, we are reporting to our stockholders every day, and we hear from our stockholders, believe me, every day.

Into my office in the Department of State pour 150,000 letters a year from these stockholders. All these deal with some aspect of foreign policy. And you know full well that in the majority of cases, when a stockholder takes a pen in hand, he uses it to prick what he thinks is a bad idea. He wants an answer. And he gets it.

Then you have your employee relations. We do, too. The United States Government has more than 2 million civilian employees, most of whom have gone into government as their career with the same devotion and ambition that make a man go into law or medicine or business. Their

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<sup>1</sup> Address made before the American Public Relations Association at Philadelphia, Pa., on Apr. 25 (press release 246).

knowledge, capability, and industry result in the efficiency of the Government. Their morale must be sustained, and they should both merit and receive the respect of the public they serve.

#### **Getting Information to American People**

For us, all this adds up to the need for public knowledge of, public understanding of, and public support of our national and foreign policies. We in the Department of State are incessantly engaged in trying to get a maximum of information on foreign policy developments out to the American public.

That's a cliché, and I don't want it to hang in the air without backing it up. Simply wanting to get out the maximum amount of information means very little. This is something that calls for constant work. It means knowing what is going on. It means convincing other officials that there are advantages, as well as disadvantages, in making something public. It means presenting the facts in a straightforward, simple fashion that will be understood and not lead to misinterpretation. It means giving the background to the facts so that they may be better grasped. It means getting hold of interesting details as well as the bare facts. It means acting with dispatch so that information is given out before it is leaked out, willingly or unwillingly, fairly or distortedly. It means keeping the door wide open to news gatherers. It means giving them service.

This is not easy. Our foreign relations are worldwide and complicated. This evening I took occasion, in driving from the airport to the hotel, to go past 13 South Sixth Street, Philadelphia. There the Department of Foreign Affairs, as it was known then, had its first home, in 1781—an old row house. At that time the Secretary was Robert Livingston and the Department had 5 employees. Today it has over 12,000 American employees, and we have diplomatic relations with 80 nations and many international and regional organizations.

I place first reliance for getting across our story on the established media of public information—the newspapers, radio, TV, news magazines, and magazines. No government-contrived and -financed system for distribution of information can be more than a shadow compared to the solid moving mass of these established media. I believe that the representatives of these American media

are among the most intelligent, objective, and hard working in the world.

The public affairs officer in the Department of State must, of course, look two ways at the same time. He must have in mind American public opinion, and he must have in mind foreign public opinion. What might be received with acclaim on this side might fall on the other with the thud that sickens—and vice versa. This two-brained Janus must therefore have a knowledge of and appreciation of both American and foreign opinion.

#### **Increasing Knowledge of Foreign Policy**

As for the American public, I am ever more encouraged by the constantly increasing knowledge Americans have of the world and of our foreign policy. Two world wars, the Korean war, the presence of the United Nations on our soil, the role of leadership the United States has had to assume in the free world, the constant flow of hundreds of thousands of American tourists overseas annually, the heightened efficiency of communications and transportation since the last war—all these and other factors too have combined to acquaint Americans with the rest of the world. Place names that were once unknown now appear in headlines and news stories without the need for explanation. Just a short time ago, to most Americans, at a guess, the Gulf of Aqaba could have been a Texas inlet; Cyprus a kind of tree; and the Gaza Strip an act by Gypsy Rose Lee. Fifteen years ago no quiz program contestant could have walked off with \$190,000 if the question was "What is Okinawa?"—even if the contestant had the intelligence of a 10-year-old boy.

Another item of encouragement is this: Americans, I believe, are becoming more aware of the fact that the foreign policy of their Government is solidly based on principle. This principle was not formulated today or yesterday but goes right back to the fundamentals set forth by the Founding Fathers of the Republic.

Our people had a dramatic assertion of this fact in the Middle East crisis last autumn. As Secretary Dulles said in New York 3 days ago, "Historic ties would have led us to acquiesce in the forcible action that was begun. But this would have involved disloyalty to the United Nations undertaking that all members renounce the use of force except in defense against armed attack."<sup>2</sup>

<sup>2</sup> BULLETIN of May 6, 1957, p. 715.



As he further said, this was a hard decision and, he supposed, was not a popular decision. "Yet," and I quote him again, "it was imperative if the world was not to go as it went when the League Covenant was disregarded."

Some people overseas and some people here still blame us for that decision. But those in great majority who admire adherence to principle can now see clearly that it was as wise as it was noble. All one needs to do is reflect on all the implications in Secretary Dulles' phrase—"if the world was not to go as it went when the League Covenant was disregarded"—and to cast the mind back to the chain of misery that did wrap itself around all people when the Covenant of the League of Nations was disregarded.

### **Communist Propaganda Offensive**

In making clear the foreign policy of the United States, we face one very important difficulty which I do not think is shared by public-relations counselors in private endeavor. That is the ever-present opposition of a ruthless, cutthroat competitor, with no respect for human life or rights. In this case the competitor is international communism, with its total grasp of a vast apparatus of propaganda and its total absence of conscience.

I know that you have your competitors. I am sure your competition generally is keen, as it should be. But I doubt that your competitor disseminates falsehoods about your every product, your every plan, your every statement. I doubt that he tries to sow dissension between you and another company. I doubt that he imputes to you the basest of motives. We, however, face this type of action all the time.

Worldwide Communist propaganda is one of the most significant facts of this year. Never before in all our history have we had to confront such a phenomenon in peacetime. We had to fight against German propaganda in the First World War. We had to fight against Nazi propaganda in the Second World War. We had to fight against Soviet and Chinese Communist propaganda in the Korean war. But never before in peacetime have we been up against a propaganda offensive such as that conducted by international communism.

Just let President Eisenhower or Secretary Dulles state a policy, new or old, and watch international Communist propaganda set out to under-

mine it. You ought to watch it—it's a highly interesting performance, almost as good as some of the TV shows your companies sponsor, including commercials. The President states the Middle East policy, designed to bring peace and stability to the Middle East. Overnight, Communist propaganda begins firing all its guns. The United States is carrying war to the Middle East. The warmongers of Wall Street are once more in command. The United States wants to enslave the peoples of the Middle East. The United States is the new colonial power. It wants to drive the British and French out of the Middle East. It wants for itself all the oil of the area. Its reactionary leaders desire the impoverishment of the Arabs. It wants to encircle the Soviet Union with hostile forces. The United States conspired with the British, French, and Israeli to bring about the invasion of Egypt.

On Monday of this week I had the pleasure of being present in New York when Secretary Dulles addressed the annual luncheon of the Associated Press. Immediately after the luncheon we drove to the airport and flew back to Washington. Lo and behold, one of the first press dispatches handed me after I returned to my office was from Moscow. It dealt with a commentary on Radio Moscow distorting the Secretary's speech and, of course, attacking the distortions.

But please note that, bad as all this is, it does not emanate solely from Moscow. Its diffusion is far more widespread. The Kaiser's propaganda and the Nazi propaganda came from Berlin, but the international Communist propaganda comes from many places simultaneously. It comes from Soviet-subsidized newspapers and writers in the Near East. It comes from Communist newspapers in France and Italy and the China mainland. It comes from Communist speakers, from leaflets, in many scores of cities from Liverpool to Lima. The bandleader in Moscow raises his baton and the musicians all over the world, including the United States, play in the same key, however off-key it may be.

### **Action for Propaganda Effect**

Now please note another point. We in our professions, yours and mine, generally think of propaganda as consisting of words and ideas put out over the radio, in the press, in pamphlets, in motion pictures, and the like. But not so the inter-

national Communists. They think of propaganda in two terms. One is as I just described it. The other is action. And very often action is the most potent propaganda of all.

We in the United States Government are not accustomed to taking action for propaganda purposes. If we take action in foreign policy, for instance, it is solely for the purpose of promoting our basic purpose, which is peace and justice for all nations, thus promoting the welfare of all peoples.

The international Communist rulers, however, are prepared, and skillfully so, to use action solely to produce a propaganda effect. Witness the series of threatening notes addressed by the Kremlin in recent weeks to members of the North Atlantic Treaty alliance. The Kremlin could have had no hope that these nations would withdraw from NATO or give up the NATO bases on their soil. But they did have a hope that the United States would be branded as a probable aggressor, using the NATO countries as launching sites for an attack on the Soviet Union.

Perhaps never before in diplomatic history have we witnessed such a Niagara of notes, letters, and statements as have issued from the Kremlin in the last few months. All the midnight oil from Batum and Baku seems to be burning in the Kremlin. There are, of course, various explanations for this flood. But one of them is without a doubt the propaganda effect.

A little more than a year ago Premier Bulganin addressed a formal note to President Eisenhower, proposing a 20-year nonaggression pact between the two countries.<sup>3</sup> Mr. Bulganin could not have hoped that the President would accept the proposal, in view of all the basic unsettled issues between the two countries. But he could hope that the President's rejection would confirm Soviet propaganda that the Soviet Union was the protagonist of peace and the United States the protagonist of war. He could hope that the proposal would obscure the fact that the Soviet Union forbade the unification of Germany and the freedom of the satellites, without which true peace is impossible. He could hope that the mere discussion of the proposal would alienate the United States from its closest allies, Britain and France,

with whom the Soviet Union had recently abrogated its treaties of nonaggression.

I think we need to learn a lesson—in fact, I think we have learned a lesson—from the Soviet practice of action plus propaganda. You remember, I'm sure, the Soviet and Chinese Communist campaign on our alleged use of germ warfare in Korea. They cleverly combined action with propaganda. On the action side they forced American fliers to make confessions. They ferried to Korea scientists and pseudoscientists from various countries so as to produce resolutions and statements. And no doubt they convinced millions of people that Americans were barbarians.

The lesson is that we too can put across our ideas to other peoples and even to the Soviet rulers by action and information—not the spurious action and false information of Communist propaganda, but honest action and true information.

#### **Atoms-for-Peace Program**

In December 1953, President Eisenhower appeared before the General Assembly of the United Nations to appeal to all its members to turn the dreaded atom into peaceful channels. The first reaction of the Soviets, conveyed by Radio Moscow, was one of scorn and suspicion. But our Government persisted. On the action side it made bilateral agreements with a number of nations to furnish atomic materials for peaceful use and research. It trained experts from many countries in the peaceful use of the atom. It provided radioactive isotopes to many nations for use in hospitals. It proposed the creation of an international atomic energy agency. On the information side many statements were made to convey an idea of the tremendous scope of the atoms-for-peace. The United States Information Agency conducted a major campaign throughout the world, through exhibits, pamphlets, radio, press, and motion pictures, to convey to hundreds of millions of people the meaning of the President's proposal for the health and welfare of men, women, and children everywhere.

Ultimately the pressure of world public opinion became so overwhelming that the Soviets had to give in. I was present at the Summit Conference at Geneva when Premier Bulganin promised that the Soviet Union would contribute fissionable materials to an international agency.

<sup>3</sup> *Ibid.*, Feb. 6, 1956, p. 193.



Now that agency has been agreed to, and the Soviet Union has announced its ratification.

I was present, too, at the Summit Conference when President Eisenhower made his famous open-skies proposal for reciprocal aerial inspection of the Soviet Union and the United States to prevent surprise attack by one upon the other. There again the Soviet reaction, then and for many months to come, was one of opposition, even derision. To them this was espionage. Mr. Khrushchev said he did not want American pilots peering through his bedroom window. I heard Mr. Molotov argue that American inspection planes might drop atomic bombs on Russia. But the United States Government persisted. The United States Information Agency put on another global campaign to show what the President's proposal could do and what aerial inspection could show up in the way of military concentrations and preparation. And now the Soviets have come to the point where they are willing to have aerial inspection 500 miles on each side of a dividing line in Eastern Europe. We should like to see a larger area embraced, of course, but this Soviet counter-proposal is certainly a concession to the strength of world public opinion.

#### **Opportunities for Positive Action**

With what I have said and with what you already know of the world situation, you can see the problems we face in making our positions clear. And you can also see the opportunities we have for positive action.

I therefore want to appeal for help to you experts in this field of public relations. You can do a valuable work for your Government in many ways. Too often in the past, I think, government departments and agencies have appealed for assistance from industry, labor, and national organizations and a patriotic reply comes back, "Of course. What do you want us to do?"; and then virtual silence or vague responses from the Government.

Consequently I want to make a few suggestions.

One vital area where your help is needed is in spreading understanding of the mutual security program, now very much in the searchlight glare of reexamination. As in many a major program, a certain amount of folklore and a certain amount of misunderstanding does exist. "Foreign aid" is a more familiar term to describe it, but it is a

misnomer in that the benefits deriving from it are for us as much as for our friends of the free world.

In the 9 years of its life it has scored notable successes. The return to economic health of Western Europe under the Marshall plan, which was the first phase of the program, is one good example—a recovery so complete that no new economic aid has been undertaken for the Marshall plan countries of Western Europe in the last 3 years and no foot of soil has been lost to the Soviets since its inception.

This aid has resulted in far greater security for the nations of the free world.

The current 1958 mutual security program, as presented by President Eisenhower and Secretary of State Dulles, has a fresh approach which has already enjoyed a good public response. Basically the program breaks down as follows:

—75 percent is for military aid and as such will be added to the Department of Defense budget.

—The remaining 25 percent is for economic development funds, emergency grant aid, and technical assistance—each to be clearly identified and each to be made available as largely as possible on a loan basis.

These, with the added principle that developmental loans will be on a 3- to 5-year basis for better continuity, are the fundamentals of the new approach. They represent in essence a sharp division between the military and economic purposes of the program.

A second area of cooperation relates to the statute of the International Atomic Energy Agency, which the United States has done so much to create. This comes up for ratification shortly. The proposed agency results from President Eisenhower's address to the United Nations General Assembly in December 1953, but its purposes are, I think, insufficiently known to the American public. Once these are understood, including the creation of a pool of basic nuclear fuels for peaceful uses, the training of scientists, research and exchange of information on peaceful uses, I believe the public response will be strongly behind this forward step. The need for reassurance that the power of the atom will be more and more directed toward the ends of peace is an elemental need in these anxious times—akin to hunger and thirst, if you will. Here is food and drink. Here is forward motion of a positive and tangible kind toward assuring, in President Eisenhower's noble

words, that "the miraculous inventiveness of man shall not be dedicated to his death, but consecrated to his life."

A third area of effective help is the people-to-people program. I was delighted to note that your speaker last night, Mr. Bolton, made the people-to-people program the subject of his talk. I had the privilege of being present in Washington last September when President Eisenhower personally launched this movement. I can testify that the President is keenly interested in the program and is confident it can produce an extremely valuable effect overseas. The scope of the people-to-people program is vast, and within its range of activities any one of you will find at least one facet that merits a contribution of effort.

All the help you can give in creating overseas a climate of good will toward the United States is of value to your Government. The application of our foreign policy in a given country will always be more fruitful if it falls on a soil enriched by understanding of the ideals upon which our country stands.

Those of you who have overseas operations might well give particular attention to the numerous new nations that have come into being since the last war. There are 19 of them, and they embrace a population of 700 million people, nearly one third the people of this earth. It is important that these peoples be friendly to us and understand our policies.

On this side of the waters you can be helpful simply by making yourselves and your firms and associations more aware of what our foreign policy is. There are numerous ways of doing so, and there is no need for me to list them. I do, however, commend to your reading the full text of the address Secretary Dulles delivered in New York on Monday [April 22], entitled "Dynamic Peace." It cogently states the basic principles underlying our policy of waging peace.

In dealing with various segments of the American public, don't be afraid to offer an opinion once you have formed it. If you are in position to help mature the opinion of a group, get them to understand their stake in the conduct of our foreign policy.

Secretary Dulles has said: "The bedrock foundation of U.S. foreign policy must come from the American people. Your awareness of the problems we face and your interest in helping us to

find just and workable solutions to them are essential to a successful foreign policy."

Finally, if there is any aspect of foreign policy you do not understand, please don't hesitate to write to my office. With the influx of the 150,000 letters per year I mentioned earlier, we can always handle a few more. I promise you an answer.

## **U.S. Rejects Hungarian Charges Against Captain Gleason**

Press release 248 dated April 25

In a note received at the American Legation at Budapest on April 9<sup>1</sup> the Hungarian Ministry for Foreign Affairs alleged that Capt. Thomas R. Gleason, Assistant Military Attaché at the Legation, has engaged in "open espionage" and demanded that he leave Hungary within 48 hours. Six days earlier, on April 3, Captain Gleason and Col. J. C. Todd, the American Military Attaché, had been halted on a public road near a Soviet-occupied barracks in Hungary and detained for nearly 6 hours by Soviet and Hungarian military personnel under the apparent direction of a Soviet officer. The American Legation protested this incident in a note to the Foreign Ministry dated April 5.<sup>1</sup>

In a reply to the Hungarian note of April 9, which was presented to the Hungarian Ministry for Foreign Affairs by the American Chargé d'Affaires, N. Spencer Barnes, at Budapest on April 25, the U.S. Government has rejected the Ministry's charges of espionage, renewed the Legation's protest concerning the incident of April 3, and requested that the Ministry bring this protest to the immediate attention of the responsible Hungarian authorities.

### **Text of U.S. Note of April 25**

The Legation of the United States of America presents its compliments to the Hungarian Ministry of Foreign Affairs and has the honor to refer to the Ministry's note of April 9, 1957 alleging certain improper activities on the part of Captain Thomas R. Gleason, Assistant Military Attaché of the Legation.

It is clear from the record of Captain Gleason's actions that he neither engaged in improper activities nor violated any known Hungarian law

<sup>1</sup> Not printed.



or regulation affecting foreign diplomatic personnel in Hungary. He traveled openly, on the understanding that diplomatic personnel may move about freely within the territory of Hungary. He identified himself fully in his occasional meetings with Hungarian citizens. On no occasion did he depart from accepted norms of conduct for diplomatic personnel.

With reference to the incident of April 3, 1957, the United States Government considers it inexcusable that Captain Gleason and Colonel Todd should be halted at gun point, questioned at length, and detained for nearly six hours on a public road by Soviet and Hungarian military personnel. This treatment of Captain Gleason and Colonel Todd can only be regarded as a flagrant breach of diplomatic courtesy. The fact that these American officers were detained by personnel under the apparent direction of a Soviet officer is particularly noteworthy, for it reflects the conditions which characterize an occupied country.

The Legation is instructed by the United States Government to reject categorically the charges made against Captain Gleason, and to renew its emphatic protest concerning the incident of April 3. The Legation requests that this protest be brought to the immediate attention of the responsible Hungarian authorities.

## **United States Position on Nicaraguan-Honduran Conflict**

### **DEPARTMENT ANNOUNCEMENT**

Press release 260 dated May 2

The U.S. Government is gravely concerned over reports of an armed clash involving troops of Honduras and Nicaragua. The Council of the Organization of American States met on May 1 in special session to deal with a Honduran allegation of an aggression by Nicaraguan troops. It met again on May 2 to consider Nicaraguan accusations that Honduran troops had fired on and killed Nicaraguan soldiers.

In addressing the Council of the Organization of American States on May 1, the U.S. Representative, Ambassador John C. Dreier, stated, in part:

It is . . . the responsibility of all member states, including especially those which may be involved in a dispute, to take every reasonable measure to prevent the aggravation of a situation or controversy which they bring to the attention of the Council. I am sure that every member of this Council shares the view that it is incumbent upon all states to avoid any acts which might make a just and honorable resolution of this controversy more difficult.

As a member of the Oas, this Government stands ready to participate fully in such actions as may be agreed upon to resolve the controversy between these two member states and, meanwhile, expresses in the most friendly terms its urgent hope that they will avoid further acts which might prejudice a prompt and peaceful solution of the problem.

### **STATEMENT BY AMBASSADOR JOHN C. DREIER<sup>1</sup>**

I should like to say that I have listened with greatest care to the statements made by the Representatives of Honduras and Nicaragua and have studied the note from the Foreign Minister of Honduras which was delivered to the chairman yesterday.

On various occasions, I have expressed the opinion that as a result of the effective functioning of the Organization of American States it is inconceivable that any of the sister republics of this hemisphere would resort to armed conflict to settle a dispute. This remains my firm belief, and I am sure that the tradition and spirit of peaceful settlement of international disputes that motivate the American nations will certainly prevail in the controversy that has been brought to the attention of this Council today. The statements by the Representatives of both Honduras and Nicaragua fortunately fully support that view.

The record of the Organization of American States in the maintenance of peace and security is based upon a number of different legal, political, cultural, and moral factors. Certainly one of the most important is the sense of responsibility which all the American nations increasingly share for the maintenance of the principles of peaceful solution of international disputes and the banning of aggression.

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<sup>1</sup>Made before the Council of the Organization of American States at Washington, D. C., on May 1. Ambassador Dreier is U.S. Representative on the Council.

Whenever any member state brings to the Council a charge that its political independence and territorial integrity is being affected by threats or acts of aggression, it is the immediate responsibility of this Council to give prompt and serious consideration to that request. It is also the immediate responsibility of this Council to give a full and fair hearing to the party against which charges are lodged. This the Council is doing.

It is also, Mr. Chairman, the responsibility of all member states, including especially those which may be involved in a dispute, to take every reasonable measure to prevent the aggravation of a situation or controversy which they bring to the attention of the Council. I am sure that every member of this Council shares the view that it is incumbent upon all states to avoid any acts which might make a just and honorable resolution of this controversy more difficult.

In determining whether to accede to the request of a member state to convoke a meeting of foreign ministers under the Inter-American Treaty of Reciprocal Assistance, the Council must, of course, weigh carefully the question of whether the immediate situation fulfills the requirements set forth in that treaty. In order to make such a determination, it is quite possible that further clarification of the factual situation should be sought.

Members of the Council will also welcome any indication from the representatives of the parties to the controversy as to what means other than the convocation of a meeting of foreign ministers might be adequate to lead to a solution of the basic difficulty. In the present instance, the incidents which have been alleged to have taken place in the border territory are related to a longstanding legal dispute. We may hope that the parties will work out some method of resolving the basic cause of this conflict. They can readily find assistance

toward this end from the peaceful procedures in effect in the inter-American system, including the services of the Inter-American Peace Committee, should they so desire.

In conclusion, Mr. Chairman, I wish to stress the importance which my delegation attaches to the avoidance of any acts which would make a solution of the present controversy more difficult, to the further clarification of facts bearing upon the desirability of convoking a meeting of foreign ministers to consider the matter, and to the consideration by the parties themselves of all possible methods of resolving this controversy in the spirit and tradition of the Organization of American States.

Under the circumstances I agree it would be premature for the Council to take any decision on the request today. I support the motion of the Representative of Mexico that the Council adjourn for 48 hours to provide an opportunity for consideration of the matter, with the understanding that, should changed circumstances so require, the chairman may call the Council into session at any time. I also support the suggestion that the Council express in the most friendly terms to the two sister Governments its confidence that they will avoid acts which might make the solution of the problem more difficult.<sup>2</sup>

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<sup>2</sup> On May 2 the Council adopted unanimously a resolution in which it took cognizance of the charges of Honduras and Nicaragua. The resolution called for a meeting of the Organ of Consultation under the Rio Treaty (the Organ of Consultation is a meeting of the Ministers of Foreign Affairs), and the Council constituted itself as the Provisional Organ of Consultation pending the meeting of foreign ministers. The chairman appointed a committee of five (Argentina, Bolivia, Mexico, Panama, U.S.) to investigate the dispute on the spot and report back to the Council. The committee then elected Ricardo Arias of Panama as its chairman. The committee left Washington on May 3 for Tegucigalpa and Managua.



# The Road Ahead for Foreign Trade Policy

*by Thorsten V. Kalijarvi*

*Assistant Secretary for Economic Affairs*<sup>1</sup>

It is a pleasure to meet with you gentlemen who are actively engaged in the business of importing and exporting. As foreign traders you are among the adventurous businessmen of our country. You help extend our horizons and contribute to making our high living standards constantly higher.

While I have chosen as the theme of my talk "The Road Ahead for Foreign Trade Policy," I wish to address myself principally to the forthcoming European common market and free trade area and to the improvement of the international organizational machinery for foreign trade. There, we believe, lies one of the keys to the maximum expansion of our foreign trade. There, we believe, lies the promise for increasing the economic and political strength of an important part of the free world. There too, we believe, lie many opportunities for our future trade.

## Importance of Foreign Trade

All of us know the importance of foreign trade. It consists of the movement of goods and services, and it is a producer of vitality, well-being, and security for the Nation as well.

It is an essential part of that solid economic foundation without which the mutual defense of the free world would be built on quicksand. Indeed, it does not take much reflection to make clear that it is impossible for us to live in economic isolation and at the same time to convince others to join us in international political cooperation.

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<sup>1</sup> As-delivered text of address made before the National Council of American Importers, Inc., at New York, N. Y., on Apr. 25 (advance text issued as press release 240 dated Apr. 24).

If we were unwise enough to keep others from selling in the American market, foreigners would be unable to buy our products. This is a fact which our disposal program for surplus agricultural commodities has highlighted. That program has emphasized our dependence on export markets for many commodities. It is axiomatic that exports and imports have a direct relationship to each other. Of course, the import of commodities does not have as its sole purpose the facilitating of exports. Nevertheless, our basic concept is that as a country we profit by importing as well as by exporting. This exchange benefits all of our 170 million people, not just those engaged in specific transactions.

What is more, foreign trade has proven not only a significant contribution to the economy but a dependable one. It holds great promise for the future. You may recall that immediately following World War II many argued that our profits from foreign trade were only temporary. Were it not for our vast outpouring of aid under the Marshall plan and the devastated world productive facilities, they said, United States exports would soon drop sharply, and imports from low-wage countries would flood the country, competing with domestic products and displacing domestic employment.

Now we know that reasoning to have been false. The actual facts are vastly different. Our non-military aid expenditures have been reduced, and competition in world markets has returned to what may be called a normal level. Yet in 1956 we recorded the highest level of commercial exports in our history, surpassing even the level of exports in 1947, the previous peak year. Imports in-

creased, and at the same time the excess of our exports over our imports in 1956 expanded.

### Problems

Now for the problems in the road ahead. Some of the foreseeable major problems—as well as new opportunities—facing us in the future are centered around the European common market and free trade area.<sup>2</sup> While this integration has not yet taken place, its shape is constantly growing clearer. Its full meaning for United States foreign trade policy is not apparent in all respects. In general, however, we are convinced that it will have great significance for us.

The post-World War II era in foreign trade is drawing to a close. It was characterized by the creation of certain institutions to facilitate international economic cooperation, notably the International Monetary Fund, the International Bank for Reconstruction and Development, and the General Agreement on Tariffs and Trade.

The International Monetary Fund was set up to operate in the field of finance and exchange-rate policies. It was designed to provide liquidity and a margin of credit so as to tide countries over short-term difficulties in their balance of payments and thus to avoid the resort to restrictive measures that would depress world trade.

The International Bank for Reconstruction and Development was established to provide capital loans to finance the importation of equipment and machinery to restore ravaged countries and to expand production in economically underdeveloped countries.

The General Agreement on Tariffs and Trade, signed in 1947, to which 35 nations now adhere, converted a large part of the world's tariff negotiations from a bilateral basis to a multilateral basis. That agreement established a code of fair conduct for international trade and provided machinery for consultation and review of trade and tariff disputes. The GATT made amicable adjudication of such disputes possible and thus avoided trade warfare, with which the world had been beset in earlier days.

These institutions and arrangements were dedi-

cated to the expansion of business freedom and responsibility in international economic relations. They grew out of and reflected the experience of the twenties and early thirties, when countries acting by themselves tried to insulate themselves against the world depression by restricting trade, by cutting down imports, and by trying to expand exports. This movement toward autarchic systems, with highly regulated, centrally controlled trade, finance, and exchange, had its extreme manifestation in the Communist and Fascist states. The net result was a distorted pattern of world trade, the loss of liberties usually associated with private enterprise, and a series of competitive exchange depreciations. Retaliatory protection became the rule.

The international economic institutions just described were efforts of the victorious powers to correct this undesirable situation and to prevent its return in the postwar period. The benefits accruing from these organizations in the last 10 years have been manifold. Of course they have not solved all the foreign trade problems, nor will they provide solutions for all those that lie ahead. Nevertheless, the objectives of expanding trade, broadening tariff negotiations, and the adoption of common trading rules are more valid now than ever. If those objectives are pursued with determination, the institutions created after the war can promote even more effectively an ever-growing world trade.

Against this background, let us examine the European common market and its challenge.

### Challenge of the Common Market

The proposed European common market and free trade area constitute a major new factor in the economic world of today.

As you know, the proposed European common market will be composed of Belgium, France, the German Federal Republic, Italy, Luxembourg, and the Netherlands. These six countries, in an unprecedented step, plan to eliminate substantially all trade barriers among themselves. The barriers slated to go include tariffs and quota restrictions, covering both the public and private sectors of trade. German Volkswagen, for example, will enter the five non-German countries without restriction or tariff payments. So will French perfumes, Belgian machinery, Italian leather, Dutch bulbs, and a multitude of other products.

<sup>2</sup>For an announcement of U.S. views on the European common market and free trade area, see BULLETIN of Feb. 4, 1957, p. 182.



Not only does the common market involve the elimination of substantially all barriers among the six countries; it also involves the establishment of a common unified external tariff toward outside countries. In other words, United States automobiles, leather, and other export products will be subject to the same tariff in each of the six countries.

It is anticipated that the move toward economic integration may go beyond the six countries. The United Kingdom and 10 other Western European countries have indicated an interest in associating themselves with "the six" in a broader free trade area. Under such an arrangement, barriers to trade between the additional 11 countries and "the six" would be eliminated on a wide range of products. However, the 11 countries would continue to maintain their own tariffs against countries outside the free trade area. The six countries of the common market would do the same with their unified tariff.

To give you a concrete idea of the magnitude and importance of the market thus to be created, the six countries in 1955 possessed over 162 million people, a combined gross national product of \$126 billion, and 22 percent of world trade. Moreover, there were in 1955 in the 17 prospective common-market and free-trade-area countries about 285 million people. This area is one of the most highly industrialized in the world.

United States trade figures may give you an appreciation of the significance of this area to us. The United States exported worldwide over \$15 billion in goods and services in 1955. Of this total, almost \$4.5 billion or about 29 percent went to the 17; and of that \$4.5 billion, over \$2 billion of United States exports went to "the six."

Obviously, a common market area as large as the six countries without internal trade barriers promises a tremendous stimulus to efficient production and improved living standards in Europe.

The United States has welcomed this development. We believe the free world will gain if the principal nations of Western Europe can achieve strength through economic integration. Politically, such a unit could become a powerful element in world affairs. Economically, it could lead to an unparalleled expansion in world trade. As the barriers are reduced and increased competition within the community spurs increased efficiency and productivity, standards of living will rise.

From this should result greater demands for American and other foreign goods.

Therein lies the promise of the common market and free trade area. The fulfillment of that promise in part or in whole, however, depends on the associations being used to attain the six countries' stated objective of expanding trade not only with each other but also with other countries. It is the expansion of trade with the rest of the world that is a major concern with us. Nor are we alone in our concern. Our neighbor Canada has taken a position similar to ours. Indeed, so have the United Kingdom and others.

The common-market concept is already far advanced. "The six" have signed a treaty for the establishment of a common market. The ratification process is beginning in the six national parliaments, although many problems must be solved. There will be real difficulties, for example, in bringing the comparatively stable industries of some member countries into the same market arrangement with the expanding industries of others, and in associating overseas territories of "the six" with the common market. The greater the difficulties in winning approval at home for the elimination of trade restrictions within the common market, the greater the temptation will be to raise the common barriers against goods coming from outside the area. Certainly, from our standpoint, the promise of the common market consists in a large measure in resisting that temptation.

#### **United States Policy**

We assume that it is the firm intention of the member countries of both the common market and the free trade area to press for the expansion of trade with the outside world. On that assumption we know that they will need encouragement in order to achieve their goals. On that assumption, too, the course of United States trade policy may well prove decisive over the next few years. If this country continues its liberal trade policy, the members of the Western European community will be given a powerful incentive to continue forward and to bring their plans to fruition. The transitional period will be difficult for them in any case. It is most important from our viewpoint, as we have already said, to have "the six" continue through this period to look outward toward world markets and global trading arrangements. If

"the six" find themselves confronted with increased restrictions elsewhere, they will tend to look inward toward their own large unified market and to raise barriers against outsiders to the detriment of United States trade.

The implications for United States foreign trade of the new developments must not be glossed over. Competition both in world markets and in the United States market may grow sharper. But this is not new to us. Competition is basic to our domestic economy. We advocate it internationally as well. Competition is, of course, the primary reason for the success of the free enterprise system. Competition, both foreign and domestic, in general improves the overall efficiency of the economies of the free world.

We have no doubt that American trade will be competitive. We see in these new developments new profitable export opportunities for our traders—opportunities that have always been earnestly sought and assiduously exploited.

Another encouraging development is that, as the balance-of-payments position of various countries continues to improve, there will be less justification for import quotas and other trade restrictions. We shall press for their entire elimination. Later this year in Geneva the United States will consult with 20 countries still maintaining quantitative restrictions for balance-of-payments reasons. These consultations will provide the occasion for discussing the current level of trade restrictions and for examining the prospects for further relaxation and eventual elimination of the restrictions.

### **Improving the GATT**

There is another important aspect to this new common-market development that requires our attention, namely its relationship to the GATT. The newly integrated unit will make necessary some effective measures by ourselves and others to keep abreast of developments.

The six countries intend to set up new machinery for the determination and administration of their policies. That machinery includes a Council, a Commission, a Court of Justice, and an Assembly to provide a "forum of opinion." It is to be expected that the 11 associated countries in the free trade area would have a large community of interest in and would work along with such organizations.

In view of these continuing developments, the "outside" countries, especially those associated in the GATT, including the United States, must have an effective administrative organization to follow the policies, plans, and actions of the 17 countries prospectively coming together in the new trading arrangements. The organization must have facilities to report developments to all the countries of the GATT and to provide a forum for the discussions of such developments speedily. It is now apparent that it is in the interest of United States business—both export and import—that such an organization be created.

If the Organization for Trade Cooperation had not previously been proposed, we should now have to propose it. The President has seen this clearly. He has emphasized to the Congress the need to press for its approval so that it can be made active and efficient at the earliest possible moment.<sup>3</sup>

The Organization for Trade Cooperation among other functions will furnish a continuous forum for the constant watch and consideration of the plans and actions of the 17 members of the common market and free trade area. It will provide an institution for the achievement of harmony between the provisions and general objectives of the general agreement and those of the common market and free trade area. We must make every effort to harmonize the common market and free trade area with the GATT. Otherwise there is a real danger that the associated nations will be tempted to break away as an independent regional group, going their own way with their own tariffs, their own quotas, with no obligation to the other countries of the world.

### **Two Major Points**

In conclusion permit me to summarize the two major points we have made.

First, the emerging European common market and free trade area are major new factors in the economic world. The future course of United States foreign economic policy is directed toward encouraging "the six" and others to reduce trade barriers and to work toward a nondiscriminatory multilateral trading world.

Second, the OTC is needed in this new era of the common market.

We stand on the threshold of a new era of ex-

<sup>3</sup> *Ibid.*, Apr. 22, 1957, p. 657.



panded world trade. Our share in that trade will depend upon the vision which you as private foreign traders and we as government officials manifest in meeting our opportunities.

## **Quota on Imports of Butter Oil and Butter Substitutes**

White House press release dated April 16

### **WHITE HOUSE ANNOUNCEMENT**

The President has issued a proclamation imposing a quota upon imports of butter oil and butter substitutes containing 45 percent or more of butterfat. For the year 1957 the quota will be 1,800,000 pounds. For 1958 and subsequent years, the annual quota will be 1,200,000 pounds.

The President accepted the Tariff Commission's recommendation that he impose a quota in this case. The Commission recommended that the annual quota should be 1,800,000 pounds, which is equivalent to actual butter oil imports in 1956. The President imposed a quota in that amount for the current year. For 1958 and each subsequent year, however, the proclamation imposes a smaller quota.

The President's action was based on a report of the United States Tariff Commission.<sup>1</sup> The Commission's investigation and report were made under section 22 of the Agricultural Adjustment Act, as amended, which authorizes limitations on imports when imports are interfering with or threaten to interfere with domestic price-support or marketing programs.

### **PROCLAMATION 3178<sup>2</sup>**

#### **IMPOSING A QUOTA ON BUTTER SUBSTITUTES, INCLUDING BUTTER OIL**

WHEREAS, pursuant to section 22 of the Agricultural Adjustment Act, as amended (7 U. S. C. 624), the Secretary of Agriculture advised me that there was reason to believe that butter substitutes, including butter oil, containing 45 per centum or more of butterfat, which are dutiable under paragraph 709 of the Tariff Act of 1930, as amended, are practically certain to be imported into

the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the price-support program undertaken by the Department of Agriculture with respect to milk and butterfat, or to reduce substantially the amount of products processed in the United States from domestic milk and butterfat with respect to which such program of the Department of Agriculture is being undertaken; and

WHEREAS on November 17, 1956, under the authority of the said section 22, I caused the United States Tariff Commission to make an investigation with respect to this matter; and

WHEREAS, in accordance with the said section 22, as implemented by Executive Order No. 7233 of November 23, 1935, the said Tariff Commission has made such investigation and has reported to me its findings and recommendations made in connection therewith; and

WHEREAS, on the basis of the said investigation and report of the Tariff Commission, I find that butter substitutes, including butter oil, containing 45 per centum or more of butterfat and classifiable under paragraph 709 of the Tariff Act of 1930 are practically certain to be imported into the United States under such conditions and in such quantities as to materially interfere with the said price-support program with respect to milk and butterfat, and to reduce substantially the amount of products processed in the United States from domestic milk and butterfat with respect to which said price-support program is being undertaken; and

WHEREAS I find and declare that the imposition of the quantitative limitations hereinafter proclaimed is shown by such investigation of the said Tariff Commission to be necessary in order that the entry, or withdrawal from warehouse, for consumption of such butter substitutes, including butter oil, will not materially interfere with the said price-support program or reduce substantially the amount of products processed in the United States from domestic milk and butterfat with respect to which the said price-support program is being undertaken:

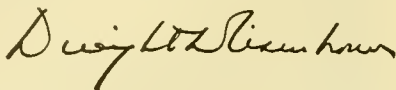
NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, acting under and by virtue of the authority vested in me by the said section 22 of the Agricultural Adjustment Act, do hereby proclaim that the total aggregate quantity of butter substitutes, including butter oil, containing 45 per centum or more of butterfat and classifiable under paragraph 709 of the Tariff Act of 1930, as amended, which shall be permitted to be entered, or withdrawn from warehouse, for consumption during calendar year 1957, shall not exceed 1,800,000 pounds, and that the total aggregate quantity of such articles which shall be permitted to be entered, or withdrawn from warehouse, for consumption during the calendar year 1958 and each subsequent calendar year shall not exceed 1,200,000 pounds. The specified quantities of the named articles which may be entered, or withdrawn from warehouse, for consumption are not proportionately less than 50 per centum of the total quantities of such articles entered, or withdrawn from warehouse, for consumption during the representative period from January 1, 1956, to December 31, 1956, inclusive.

<sup>1</sup> Copies of the report may be obtained from the U.S. Tariff Commission, Washington 25, D. C.

<sup>2</sup> 22 Fed. Reg. 2701.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this fifteenth day of April in the year of our Lord nineteen hundred [SEAL] and fifty-seven, and of the Independence of the United States of America the one hundred and eighty-first.



By the President:

CHRISTIAN A. HERTER

*Acting Secretary of State*

## Congressional Documents Relating to Foreign Policy

### 85th Congress, 1st Session

An Agreement Between the United States of America and the United Mexican States Concerning Radio Broadcasting in the Standard Broadcast Band, Signed January 29, 1957. S. Exec. G, March 12, 1957. 23 pp.

ICEM and Land Resettlement. Resettlement of European Migrants in Latin America. Report of Subcommittee No. 1 of the House Committee on the Judiciary pursuant to H. Res. 107, a resolution authorizing the Committee on the Judiciary to conduct studies and investigations relating to certain matters within its jurisdiction. H. Rept. 203, March 18, 1957. 79 pp.

Amendment of Anglo-American Financial Agreement. Report to accompany S. J. Res. 72. S. Rept. 166, March 18, 1957. 6 pp.

Amendment to the Anglo-American Financial Agreement. Hearings before the Subcommittee on Foreign Economic Policy of the House Committee on Foreign Affairs on H. J. Res. 271 to implement further the act of July 15, 1946, by approving the signature by the Secretary of the Treasury of an agreement amending the Anglo-American Financial Agreement of December 6, 1945. March 18 and 19, 1957. 52 pp.

Expressing the Sense of the Congress That Efforts Should Be Made To Invite Spain to Membership in the North Atlantic Treaty Organization. Report to accompany H. Con. Res. 115. H. Rept. 206, March 19, 1957. 4 pp.

Report of the Special Study Mission to Guatemala of the House Committee on Foreign Affairs. H. Rept. 207, March 19, 1957. 19 pp.

Report of the Special Study Mission to the Mediterranean Area of the House Committee on Foreign Affairs. H. Rept. 208, March 19, 1957. 12 pp.

Export-Import Bank Loans. Hearing before the House Committee on Banking and Currency on H. R. 4136. March 19, 1957. 40 pp.

The Statute of the International Atomic Energy Agency. Message from the President transmitting a certified copy of the Statute of the International Atomic Energy Agency, which was open for signature at the United Nations Headquarters in New York for 3 months, from October 26, 1956, to January 24, 1957, and was signed in behalf of the United States of America and by 79 other nations. S. Exec. I, March 22, 1957. 42 pp.

Extension of Export-Import Bank Act. Report to accompany H. R. 4136. H. Rept. 221, March 25, 1957. 4 pp.

Extension of Public Law 480. Report to accompany S. 1314. S. Rept. 188, March 26, 1957. 14 pp.

Amending the Atomic Energy Act of 1954, As Amended, and for Other Purposes. Report to accompany H. R. 5866. H. Rept. 228, March 26, 1957. 4 pp.

Amending the Atomic Energy Act of 1954, As Amended, and for Other Purposes. Report to accompany S. 1549. S. Rept. 191, March 27, 1957. 4 pp.

Korea, Japan, Taiwan (Formosa), and the Philippines. Report on United States foreign assistance programs prepared at the request of the Senate Special Committee To Study the Foreign Aid Program by Dr. John A. Hannah, president, Michigan State University (pursuant to S. Res. 285, 84th Cong., and S. Res. 35, 85th Cong.). Survey No. 5, March 1957. 24 pp. [Committee print.]

Technical Cooperation in the Andes Countries of South America. Report of Senator Mike Mansfield and Senator Bourke B. Hickenlooper on the technical cooperation programs in Peru, Bolivia, and Ecuador, pursuant to S. Res. 162, 84th Cong. March 1957. 14 pp. [Committee print.]

The Role of Foreign Aid in the Development of Other Countries. A study prepared at the request of the Senate Special Committee To Study the Foreign Aid Program by the Research Center in Economic Development and Cultural Change of the University of Chicago (pursuant to S. Res. 285, 84th Cong., and S. Res. 35, 85th Cong.). No. 3, March 1957. 87 pp. [Committee print.]

Agricultural Surplus Disposal and Foreign Aid. A study prepared at the request of the Senate Special Committee To Study the Foreign Aid Program by the National Planning Association (pursuant to S. Res. 285, 84th Cong., and S. Res. 35, 85th Cong.). No. 5, March 1957. 41 pp. [Committee print.]

Foreign Assistance Activities of the Communist Bloc and Their Implications for the United States. A study prepared at the request of the Senate Special Committee To Study the Foreign Aid Program by the Council for Economic and Industry Research, Inc. (pursuant to S. Res. 285, 84th Cong., and S. Res. 35, 85th Cong.). No. 8, March 1957. 134 pp. [Committee print.]

The Foreign Aid Programs and the United States Economy. A study prepared at the request of the Senate Special Committee To Study the Foreign Aid Program by the National Planning Association (pursuant to S. Res. 285, 84th Cong., and S. Res. 35, 85th Cong.). No. 9, March 1957. 105 pp. [Committee print.]

Western Europe I (Norway, Denmark, and Western Germany). Report on United States Foreign Assistance Programs prepared at the request of the Senate Special Committee To Study the Foreign Aid Program by William Randolph Hearst, Jr., pursuant to S. Res. 285, 84th Cong., and S. Res. 35, 85th Cong. Survey No. 6. March 1957. 27 pp. [Committee print.]

Central America and the Caribbean Area (Cuba, Haiti, Dominican Republic, Panama, Costa Rica, Nicaragua, Honduras, El Salvador, Guatemala, and Mexico). Report on United States Foreign Assistance Programs prepared at the request of the Senate Special Committee To Study the Foreign Aid Program by James Minotto, former Mutual Security Agency Chief in Portugal, pursuant to S. Res. 285, 84th Cong., and S. Res. 35, 85th Cong. Survey No. 9. March 1957. 29 pp. [Committee print.]

The Military Assistance Program of the United States. Two studies and a report prepared at the request of the Senate Special Committee To Study the Foreign Aid Program by a Special Civilian-Military Review Panel, the Institute of War and Peace Studies of Columbia University, and the Systems Analysis Corporation, Washington, D. C., pursuant to S. Res. 285, 84th Cong., and S. Res. 35, 85th Cong. No. 10. March 1957. 166 pp. [Committee print.]



## Trusteeship Council Reviews Progress in Trust Territories

*Following are texts of statements made during the 19th session of the Trusteeship Council by Mason Sears, the U.S. Representative on the Trusteeship Council, and Robert G. McGregor, Deputy Director, Office of Dependent Area Affairs, Department of State, who was principal adviser to the U.S. delegation.*

### STATEMENT BY MR. MCGREGOR ON RUANDA-URUNDI, MARCH 25

U.S./U.N. press release 2650 dated March 26

As the Council knows, I served as the United States Representative in the Belgian Congo and Ruanda-Urundi for 3 years. In this capacity I visited the trust territory on three different occasions and was able to observe the workings of the Belgian Authority at first hand. I can therefore and I wish to pay just tribute to the spirit of sincerity and dedication with which the Administering Authority discharges its duties in the Trust Territory of Ruanda-Urundi.

It is often stressed in the Council that one of the basic tasks of the Administering Authority in this particular territory, insofar as the political structure is concerned, is the adaptation of a well-entrenched and highly developed feudal system in two distinct areas to the demands of the trusteeship agreement. This means that, while preserving order and maintaining sound economic policies, the Administering Authority is obliged gradually to break down anachronistic and outmoded authoritarian practices that are centuries old and implant in their stead the rudiments of democracy. This involves not only political indoctrination at the grassroots but also the substitution of an electoral process for rule by fiat. It is no wonder then that progress is slow.

My delegation wishes to congratulate the Administering Authority on two particular steps that

have been taken in the past year which should advance the pace of political progress in the territory. The first is the projected enlargement and reorganization of the Council of the Vice-Governor General, which envisages an increase in African representation. The second is the use of the electoral ballot for the first time by 700,000 adult male inhabitants of the territory. These actions are heartening and in our view most timely. Mr. President, the United States Representative in posing questions to the Special Representative desired to leave the impression that the administration's policy of slow but evenly maturing progress might not be fast enough to keep up with the evolutionary pace in other parts of Africa. My delegation would like to think that the Administering Authority in the Trust Territory of Ruanda-Urundi is not unaware of this fact and that, in guiding the political destinies of the inhabitants of the trust territory in its charge, it will continue to introduce political reforms and thus permit the territory to stay ahead of these pressures within and withstand pressures from without. It expresses the hope that the Administering Authority will actively encourage and assist more and more Africans to qualify for high administrative and consultative posts in the Government. Thus these Africans may work hand in hand with the Administering Authority for the political future of this territory.

A study of the economic situation convinces my delegation that considerable forward strides have been made in the development of cash crops, in stimulating exports, and in modernizing the economy. Having been in the territory, I have been greatly impressed by the singular determination with which the Administering Authority has applied antierosive measures and reclaimed arable lands.

My delegation, Mr. President, has two suggestions to make that it believes could increase some-

what the territory's economic potential. First, it has sought in vain in the report of the Administering Authority<sup>1</sup> for information regarding tourism in the territory. Yet here is an area in the heart of Central Africa that offers unique attractions to the tourist. The African life is exceedingly colorful—the Watutsi dancers are justly world famous, native artifacts are prize items in anyone's collection, the natural scenery is superb, including as it does the source of the Nile River, a large national park teeming with wild life, and active volcanos. The tourist who ventures into the area need only extend his stay by a few more days and at little extra expense enjoy the magnificent sight of Lake Kivu, the Albert National Park, and the Mountain of the Moon. Parts of Uganda adjacent to Ruanda-Urundi offer unparalleled tourist opportunities. My delegation would like to suggest therefore that the Administering Authority seriously study this matter with a view to exploiting these natural resources for the benefit of the territory.

Secondly, my delegation has noted that the import and export trade, as well as the wholesale business, is largely in the hands of Europeans and Asians; that 1,982 Africans were engaged in retail trade in 1955. Some of these latter possess capital of \$2,000 while the average is about \$300. It is also noted that Africans are beginning to enter the transport business, brick manufacturing, and the elaboration of artifacts. The special representative has stated that, in spite of intense and sustained efforts, methods have not yet been worked out whereby Africans may own their own land. Land ownership is normally one of the principal bases for the extension of credit. It seems to us therefore that this is a situation that should be remedied as soon as possible not only in order to increase the participation of Africans in the wealth-producing factors of the territory but also for the future development of an African middle class. Admittedly this is a very complex and difficult problem. Africans who have the use of land at reasonable rates or even without expense often do not see the advantages in ownership with its inevitable tax liability. My delegation notes with satisfaction that the Administering Authority is seriously studying the problem and hopes that its effort may result in the early introduction

of legislation that will furnish the African with credit facilities based on land ownership.

In the field of education my delegation notes with great satisfaction that 20 percent of the budget is devoted to this field. It has also noted the warning of the Special Representative that there are financial and human limitations on the extent to which education can be greatly extended in the territory. On the other hand, we have the extremely valuable report of the United Nations Educational, Scientific and Cultural Organization, which advances sensible and seemingly realistic suggestions whereby the Administering Authority might improve educational facilities.<sup>2</sup> Of course, there can never be enough education even in the most civilized countries, and facilities have to be tailored to fit revenues. But education is an investment in the future, and it is the earnest hope of my delegation that the Administering Authority will give most serious thought to these UNESCO suggestions and where at all possible put them into effect. In one particular respect it is believed progress should be made. That is to try to check the great number of students who now leave school between the 5th and 6th years. Cannot the Administering Authority make a conscientious effort to encourage those 5th-year students who show the greatest promise to continue with their studies? It is from such a group that the future leaders of the territory will emerge.

In general, there is a great deal that is heartening in the territory under review. We feel that the Administering Authority is to be sincerely congratulated for its administration and commended for carrying out its part of the contract it concluded 10 years ago with the United Nations.

In conclusion, Mr. President, my delegation would like again to thank the Belgian Representative and the Belgian Special Representative for the courtesy which they have shown in replying to questions and for their willingness to meet all reasonable demands of the Council.

#### **STATEMENT BY MR. SEARS ON FRENCH CAMEROONS, APRIL 4**

U.S./U.N. press release 2656 dated April 3

Last year in discussing the Cameroons the United States Representative held that economic,

<sup>1</sup> U.N. doc. T/1282.

<sup>2</sup> U.N. doc. T/1304.



social, and educational conditions were very clearly moving ahead.<sup>3</sup> He also added that he was confident that the French authorities would help the Cameroonians in the near future to make equal progress in the political field. It is therefore most gratifying to find that this is precisely what has happened during the past year.

News stories appearing in the press indicate that the elections which were held last Sunday [March 31] in French Africa have produced victories for moderate forces seeking evolution in collaboration with France. This would seem to be an endorsement of the policy which France is following under the Overseas Reform Act. According to this policy, instead of waiting for extreme nationalism to build up demands for abrupt independence, it is the purpose of the territorial administration to outline clearly for its dependent peoples the course which should be taken toward self-government.

A very distinguished colonial administrator recently expressed the view that the only plausible solution for modern colonialism in Africa is that it must operate in partnership with African nationalism. Although this might be likened to catching a lion by the tail, it is hard to see how those who are responsible for the liquidation of colonial rule have any other choice.

African nationalist movements are going ahead in leaps and bounds, and nothing that anyone may say or do is going to halt or reverse the trend.

Accordingly, if progress is to be orderly, the leaders of these movements must be convinced that the colonial administrators are on *their* side and not against them. Only in such an atmosphere of trust can they become fully convinced about the advantages of developing free, democratic institutions—without which the welfare of their people can never be permanently assured. Unless they can be so convinced, the temptation will become great for them to seek other means for pushing their homeland ahead—means which would endanger their future freedoms. In other words, the orderly growth of durable self-government becomes impossible unless Africans are assured that colonial administrations are cooperating with them as partners in the promotion of their aspirations for self-government.

It was such cooperation that provided the key

to the success with which the powers of government were recently transferred from Great Britain to the new and fully independent state of Ghana. A great deal of favorable and well-deserved publicity has been given to this accomplishment.

But it would be inexcusably shortsighted, especially in the Trusteeship Council, if we did not also recognize the scope and significance of the new statutes which are being put into effect throughout French Africa. As the Council knows, these reforms stem from the very liberal decrees authorized by the Overseas Reform Act of last year. Under these decrees, the Trusteeship Council will note that the Trust Territories of Togoland and the Cameroons have become the spearheads for the political reforms which may later be applied to other French territories in Africa.

French administrators have described the policy behind these reforms as the opposite of "too little and too late." Obviously this policy is fast-moving and liberal in its approach and is intended to keep ahead of African demands. As such it involves serious administrative risks. But at this advanced stage in the evolution of West Africa toward self-government, a more cautious approach might contain equal if not greater risks.

At the same time one cannot close one's eyes to the fact that party politics in Africa is still highly volatile. Evidence of this is seen in recent outbreaks of violence not only in the Cameroons but in nearby territories as well. Some of them were Communist-inspired and are a significant warning that political and tribal disorders are often close to the surface. The one seems to stimulate the other.

We hope that during the concluding phase of French colonial administration African leadership will develop a capacity for self-restraint so that maintenance of public order may never be in doubt. However, this is easier said than done. The exercise of self-restraint during the excitement of an election campaign is difficult in all countries, let alone French territories in Africa where the pace of political advance is under constant acceleration.

Two years ago the sweeping political reforms which are now in prospect for the French Cameroons would have been unbelievable.

Although the new statute for the Cameroons

<sup>3</sup> BULLETIN of Apr. 30, 1956, p. 730.

may not be finally enacted until next month, the degree of self-government which it will confer upon the trust territory is already apparent. Universal adult suffrage has been achieved, and in spite of Communist-inspired disturbances participation of the African voters in the recent legislative elections compares favorably to voter participation in countries which have had generations of experience in the conduct of free elections.

Also most important is that the elections in the Cameroons were based on a common voters roll—on a one-man, one-vote basis. It is interesting to note here that except among nomadic tribes the principle of universal, common-roll suffrage—at least for men—has been established in every African trust territory but one.

The Legislative Assembly in the Cameroons will now have actual power to legislate on most matters affecting the daily lives of the people. Furthermore, there will be a system of ministerial responsibility to the elected members of the Assembly.

If the summation of all these responsibilities does not spell internal self-government, it comes very close to that objective. At all events the final phase of political and economic progress toward self-government is definitely at hand.

I include political and economic progress together because my delegation feels strongly that they go hand in hand. It is impossible to have much of one without the other.

However, I do not intend to elaborate on the economic situation in the Cameroons, except to make three brief points:

First, we hope that stabilization funds can be effectively used to protect the coffee, cocoa, and cotton industries from the disastrous effects of worldwide price fluctuations.

Second, we commend the French authorities for introducing methods which instruct the people about the necessity for conserving their forest reserves. They are a vital source of wealth.

And third, we hope it may be possible next year for us to be informed about the bearing of the recently signed Common Market Agreement on the economy of the Cameroons. It may help the territory to stand on its own feet after it has graduated from the trusteeship system.

We are also pleased to see that Africans are participating more and more in all aspects of the economic development of their territory.

Mr. President, I cannot conclude without saying

that the French Government, in applying the provisions of the Overseas Reform Act, has undertaken a very bold and interesting experiment in colonial administration. The United States delegation congratulates them for the actions they have taken. They have created an opportunity for Cameroonians to demonstrate the strength and courage and moral stamina which has marked African leadership in those countries which have already achieved their freedom. I feel sure this Council will lend every encouragement to the French administration and the Cameroonian people as they proceed together along the road which lies ahead.

#### **STATEMENT BY MR. MCGREGOR ON BRITISH CAMEROONS, APRIL 15**

U.S./U.N. press release 2659 dated April 16

The United States delegation wishes to congratulate the Cameroonian people for the progress they have made toward self-government. Cooperation between their political leaders and the British Administering Authority has been most commendable. Trusteeship in this territory has virtually run its course. The other day, the Nigerian House of Assembly unanimously adopted a resolution calling for independence in 1959. This means that, if this target date is directly or indirectly approved by the forthcoming Constitutional Conference in London, the question of termination of trusteeship for the British Cameroons may soon be before the United Nations. When that time comes, my delegation has no doubt that the Cameroonian people, of the north as well as the south, will be enabled freely to choose their future status.

It is clear from the observations of both French and British authorities in the Trust Territories of the Cameroons that the issue calling for unification of the Cameroons has been overemphasized. This, of course, stems largely from the agitation of the Communist-trained Urc [Union des populations du cameroun] leaders who pretend to speak for all the people of both territories. But the Urc, which has been dissolved in the French Cameroons for its murderous record against innocent Africans, is now under investigation for subversive activities on the British side of the frontier. It will be interesting to read the findings of the At-



torney General in the British investigation. The rapid political progress which is scheduled for the Cameroons will be seriously disrupted if organizations devoted primarily to the Communist interest are permitted to interfere with the democratic process.

My delegation has noted the interest of various members of the Council in the question of the exercise of the franchise in the Trust Territory of the British Cameroons. From the replies of the Special Representative to various questions regarding the eligibility of women to vote, we learn that women are eligible to vote provided they pay tax but that few women pay tax. The Special Representative explained to us that the right of franchise was subject to a tax and that this was done primarily in order to deny the vote to non-Cameroonians—seasonal workers and traders, principally from the French Cameroons. I am sure that the Administering Authority will permit the observation that an injustice would seem to be worked on Cameroonian women in this instance simply for the purpose of excluding from the franchise a class of non-Cameroonians who would probably have very little interest in any case in exercising this right. Would it not be better to amend legislation and procedures in order to correct this seeming injustice, or to do away with the tax qualification altogether? There is something to be said for the often-declared principle that no one in a democratic state should be obliged to pay for the right to vote.

With regard to political developments in the northern part of the trust territory under consideration, we are satisfied with the statement of the Administering Authority that the people in this area are content to see their political fortunes tied to the adjoining Northern Territory of Nigeria.

On the economic side we realize the fragile nature of the future of the territory and the enormity of problems facing the Administering Authority in preparing the territory to stand on its own feet. We note, however, several encouraging factors, particularly that new and substantial investments have been made recently in the territory. The establishment of a Northern Region Development Corporation is likewise a hopeful sign, as well as the avowed intentions of the Southern Cameroons government to encourage overseas investors. We were pleased to note the

assurance of the representatives of the United Kingdom that the Administering Authority is likewise encouraging new capital to invest in the area.

We are glad that the Administering Authority places a heavy accent on the African Cooperative Movement and assigns to this movement a major place in the economic development of the territory.

What the Special Representative had to say regarding the difficulty of road building in the territory could not fail to impress the Council. Communications are, as he said, the key to the economic future and will have a bearing on the social and educational advancement of the people of the territory. My delegation need not emphasize the willingness of the United States to give careful and thorough study to projects where technical guidance and assistance might be held desirable and put forward by the appropriate authorities. The grant of \$140,000 by the International Cooperation Administration of the United States Government for reconstruction and tarring of the Ikom-Memfe road is an indication of the type of useful project we have in mind.

I feel sure that all those responsible for the political and economic future of African territories will have read with interest the report of Vice President Nixon,<sup>4</sup> who has just returned from an extended tour of parts of the African continent.

## U.S. Delegations to International Conferences

### World Health Assembly

The Department of State announced on May 3 (press release 263) that the U.S. Government will be represented by the following delegation at the 10th World Health Assembly convening at Geneva, Switzerland, May 7-27, 1957:

#### *Delegates*

Dr. Leroy E. Burney, *chairman*, Surgeon General, Department of Health, Education, and Welfare

Dr. H. van Zile Hyde, Chief, Division of International Health, Bureau of State Services, U.S. Public Health Service, Department of Health, Education, and Welfare

Dr. James R. Reuling, American Medical Association, Lake Butler Estates, Windermere, Fla.

<sup>4</sup> *Ibid.*, Apr. 22, 1957, p. 635.

### *Alternate Delegates*

Howard B. Calderwood, Office of International Economic and Social Affairs, Department of State  
Dr. Aims C. McGuiness, Special Assistant for Health and Medical Affairs, Department of Health, Education, and Welfare

### *Congressional Advisers*

John E. Fogarty, House of Representatives  
Charles A. Wolverton, House of Representatives

### *Advisers*

Dr. Lester W. Burket, Dean, Dental School, University of Pennsylvania, Philadelphia, Pa.  
Col. Robert L. Callison, USA, Office of the Surgeon General, Department of the Army  
Dr. Eugene P. Campbell, Deputy Chief, Public Health Division, International Cooperation Administration  
Edwin L. Crosby, Executive Director, American Hospital Association, Baltimore, Md.  
Dr. Richard K. C. Lee, President, Board of Health, Honolulu, T.H.  
Blucher A. Poole, Chief, Bureau of Environmental Sanitation, State Board of Health, Indianapolis, Ind.  
David H. Popper, Deputy U.S. Representative for International Organizations, American Consulate General, Geneva, Switzerland  
Dr. Ernest L. Stebbins, Director, School of Hygiene and Public Health, Johns Hopkins University, Baltimore, Md.  
Dr. Franklin D. Yoder, President, State and Territorial Health Officers, Cheyenne, Wyo.  
Viola R. Pinanski, Member, National Advisory Neurological Diseases and Blindness Council, National Institute of Health, Brookline, Mass.  
Robert Olaf Waring, Office of International Administration, Department of State  
Laurence Wyatt, Division of International Health, Bureau of State Services, U.S. Public Health Service, Department of Health, Education, and Welfare

### *Secretary of Delegation*

Leo W. Garvey, Office of International Conferences, Department of State

The World Health Assembly is the supreme authority of the World Health Organization (WHO), a specialized agency of the United Nations. At the present time there are 84 full members of the WHO and 4 associate members—Ghana, Nigeria, Rhodesia and Nyasaland, and Sierra

Leone. The Assembly meets in regular annual session and determines the policies of the organization.

Besides reviewing the work of the WHO during 1956 as presented in the report of the Director General, the participants in the 10th World Health Assembly will discuss the program and budget of WHO for 1958. Other items on the provisional agenda for discussion include WHO's participation in the expanded program of technical assistance; peaceful uses of atomic energy in the health field; international quarantine: malaria eradication; progress in the evaluation and production of typhoid, smallpox, and triple diphtheria-pertussis-tetanus vaccines; WHO's relations with the U.N. Children's Fund (UNICEF); and a review of World Health Organization agreements with other specialized agencies.

The work of the World Health Organization embraces international programs on a wide variety of public health questions: the control and eradication of communicable diseases; measures for the improvement of maternal and child health; dental health and occupational health; and the provision of advice and assistance to national governments in developing and encouraging the application of higher standards in respect to such activities as nursing, public health administration, and professional education and training. In addition, the WHO undertakes or participates in technical health work of international significance through establishing biological standards, determining addiction-producing properties of drugs, exchanging scientific information, preparing international sanitary regulations, revising the international list of diseases and causes of death, and collecting and disseminating epidemiological information.

The 9th World Health Assembly was held at Geneva, May 8-25, 1956. The U.S. Government has invited the World Health Organization to hold its 11th World Health Assembly in the United States in 1958.



## Air Transport Agreement Between United States and Republic of Korea

Press release 238 dated April 24

### DEPARTMENT ANNOUNCEMENT

An air transport agreement between the Governments of the United States and the Republic of Korea was signed on April 24 in the Department of State. Under Secretary of State Christian Herter signed the agreement on behalf of the United States Government. His Excellency You Chan Yang, Ambassador of Korea, signed on behalf of the Government of the Republic of Korea.

The new agreement replaces the provisional agreement on civil aviation between the two countries which has been in effect since June 29, 1949. It contains the fundamental principles relating to air transport operations which have been standard in such agreements entered into by the United States with other countries since 1946. Under its terms, U.S. airlines are authorized to provide commercial service from the United States via intermediate points to Seoul, Korea, and beyond. Pursuant to the terms of the earlier agreement, Northwest Airlines has been operating services to Seoul from Seattle via Alaska and Japan under a certificate issued by the Civil Aeronautics Board. The new agreement provides for a route to be operated by Korean-flag airlines from Korea via intermediate points to Alaska and the terminal point of Seattle. No specific route to the United States for Korean-flag airlines was described in the earlier agreement between the two countries.

The chairman of the U.S. delegation assigned to the negotiations for this agreement was Howard L. Parsons, Director of the Office of Northeast Asian Affairs, Department of State. Minister Pyo Wook Han, of the Korean Embassy, was chief delegate of the Republic of Korea delegation.

The agreement with Korea is the fourth bi-

lateral air transport agreement entered into by the United States in 1957.<sup>1</sup>

### TEXT OF AGREEMENT

#### AIR TRANSPORT AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF KOREA

The Government of the United States of America and the Government of The Republic of Korea,

Desiring to conclude an Agreement for the purpose of promoting air communications between their respective territories,

Have accordingly appointed their plenipotentiaries for this purpose as follows:

The Government of the United States of America:

Christian A. Herter, Under Secretary of State;

The Government of the Republic of Korea:

You Chan Yang, Ambassador of the Republic of Korea;

Who, having exhibited and exchanged their full powers and found them to be in due form, have agreed as follows:

#### ARTICLE 1

(A) The term "aeronautical authorities" shall mean in the case of the United States of America, the Civil Aeronautics Board and any person or agency authorized to perform the functions exercised at the present time by the Civil Aeronautics Board and, in the case of the Republic of Korea, the Ministry of Transportation and any person or agency authorized to perform the functions exercised at present by the said Ministry of Transportation.

(B) The term "designated airline" shall mean an airline that one contracting party has notified the other

<sup>1</sup> For texts of agreements signed with Iran, Mexico, and the Netherlands, see BULLETIN of Feb. 4, 1957, p. 198; Apr. 8, 1957, p. 575; and May 6, 1957, p. 747.

contracting party, in writing, to be the airline which will operate a specific route or routes listed in the Schedule of this Agreement.

(C) The term "territory" in relation to a State shall mean the land areas and territorial waters adjacent thereto under the sovereignty, suzerainty, protection, mandate or trusteeship of that State.

(D) The term "air service" shall mean any scheduled air service performed by aircraft for the public transport of passengers, mail or cargo.

(E) The term "international air service" shall mean an air service which passes through the air space over the territory of more than one State.

(F) The term "stop for non-traffic purposes" shall mean a landing for any purpose other than taking on or discharging passengers, cargo or mail.

## ARTICLE 2

Each contracting party grants to the other contracting party rights necessary for the conduct of air services by the designated airlines, as follows: the rights of transit, of stops for non-traffic purposes, and of commercial entry and departure for international traffic in passengers, cargo, and mail at the points in its territory named on each of the routes specified in the appropriate paragraph of the Schedule annexed to the present Agreement.

## ARTICLE 3

Air Service on a specified route may be inaugurated by an airline or airlines of one contracting party at any time after that contracting party has designated such airline or airlines for that route and the other contracting party has given the appropriate operating permission. Such other party shall, subject to Article 4, be bound to give this permission provided that the designated airline or airlines may be required to qualify before the competent aeronautical authorities of that party, under the laws and regulations normally applied by these authorities, before being permitted to engage in the operations contemplated by this Agreement.

## ARTICLE 4

Each contracting party reserves the right to withhold or revoke the operating permission provided for in Article 3 of this Agreement from an airline designated by the other contracting party in the event that it is not satisfied that substantial ownership and effective control of such airline are vested in nationals of the other contracting party, or in case of failure by such airline to comply with the laws and regulations referred to in Article 5 hereof, or in case of the failure of the airline or the government designating it otherwise to perform its obligations hereunder, or to fulfill the conditions under which the rights are granted in accordance with this Agreement.

## ARTICLE 5

(A) The laws and regulations of one contracting party relating to the admission to or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within

its territory, shall be applied to the aircraft of the airline or airlines designated by the other contracting party, and shall be complied with by such aircraft upon entering or departing from and while within the territory of the first contracting party.

(B) The laws and regulations of one contracting party relating to the admission to or departure from its territory of passengers, crew, or cargo of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs, and quarantine shall be complied with by or on behalf of such passengers, crew or cargo of the other contracting party upon entrance into or departure from, and while within the territory of the first contracting party.

## ARTICLE 6

Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one contracting party, and still in force, shall be recognized as valid by the other contracting party for the purpose of operating the routes and services provided for in this Agreement, provided that the requirements under which such certificates or licenses were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the Convention on International Civil Aviation. Each contracting party reserves the right, however, to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licenses granted to its own nationals by another State.

## ARTICLE 7

In order to prevent discriminatory practices and to assure equality of treatment, both contracting parties agree that:

(a) Each of the contracting parties may impose or permit to be imposed just and reasonable charges for the use of public airports and other facilities under its control. Each of the contracting parties agrees, however, that these charges shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.

(b) Fuel, lubricating oils, consumable technical supplies, spare parts, regular equipment, and stores introduced into the territory of one contracting party by the other contracting party or its nationals, and intended solely for use by aircraft of such contracting party shall be exempt on a basis of reciprocity from customs duties, inspection fees and other national duties or charges.

(c) Fuel, lubricating oils, other consumable technical supplies, spare parts, regular equipment, and stores retained on board aircraft of the airlines of one contracting party authorized to operate the routes and services provided for in this Agreement shall, upon arriving in or leaving the territory of the other contracting party, be exempt on a basis of reciprocity from customs duties, inspection fees and other national duties or charges, even though such supplies be used or consumed by such aircraft on flights in that territory.

(d) Fuel, lubricating oils, other consumable technical supplies, spare parts, regular equipment, and stores taken on board aircraft of the airlines of one contracting party



in the territory of the other and used in international services shall be exempt on a basis of reciprocity from customs duties, excise taxes, inspection fees and other national duties or charges.

#### ARTICLE 8

There shall be a fair and equal opportunity for the airlines of each contracting party to operate on any route covered by this Agreement.

#### ARTICLE 9

In the operation by the airlines of either contracting party of the trunk services described in this Agreement, the interest of the airlines of the other contracting party shall be taken into consideration so as not to affect unduly the services which the latter provides on all or part of the same routes.

#### ARTICLE 10

The air services made available to the public by the airlines operating under this Agreement shall bear a close relationship to the requirements of the public for such services.

It is the understanding of both contracting parties that services provided by a designated airline under the present Agreement shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country of which such airline is a national and the countries of ultimate destination of the traffic. The right to embark or disembark on such services international traffic destined for and coming from third countries at a point or points on the routes specified in this Agreement shall be applied in accordance with the general principles of orderly development to which both contracting parties subscribe and shall be subject to the general principle that capacity should be related:

(a) to traffic requirements between the country of origin and the countries of ultimate destination of the traffic;

(b) to the requirements of through airline operation; and,

(c) to the traffic requirements of the area through which the airline passes after taking account of local and regional services.

#### ARTICLE 11

Rates to be charged on the routes provided for in this Agreement shall be reasonable, due regard being paid to all relevant factors, such as cost of operation, reasonable profit, and the rates charged by any other carriers, as well as the characteristics of each service, and shall be determined in accordance with the following paragraphs:

(A) The rates to be charged by the airlines of either contracting party between points in the territory of the United States of America and points in the territory of the Republic of Korea referred to in the annexed Schedule shall, consistent with the provisions of the present Agreement, be subject to the approval of the aeronautical authorities of the contracting parties, who shall act in accordance with their obligations under this Agreement, within the limits of their legal powers.

(B) Any rate proposed by an airline of either contracting party shall be filed with the aeronautical authorities of both contracting parties at least thirty (30) days before the proposed date of introduction; provided that this period of thirty (30) days may be reduced in particular cases if so agreed by the aeronautical authorities of each contracting party.

(C) During any period for which the Civil Aeronautics Board of the United States of America has approved the traffic conference procedures of the International Air Transport Association (hereinafter called IATA), any rate agreements concluded through these procedures and involving United States airlines will be subject to approval of the Board. Rate agreements concluded through this machinery may also be required to be subject to the approval of the aeronautical authorities of the Government of the Republic of Korea pursuant to the principles enunciated in paragraph (A) above.

(D) The contracting parties agree that the procedure described in paragraphs (E), (F) and (G) of this Article shall apply:

1. If, during the period of the approval by both contracting parties of the IATA traffic conference procedure, either, any specific rate agreement is not approved within a reasonable time by either contracting party, or, a conference of IATA is unable to agree on a rate, or

2. At any time no IATA procedure is applicable, or

3. If either contracting party at any time withdraws or fails to renew its approval of that part of the IATA traffic conference procedure relevant to this Article.

(E) In the event that power is conferred by law upon the aeronautical authorities of the United States of America to fix fair and economic rates for the transport of persons and property by air on international services and to suspend proposed rates in a manner comparable to that in which the Civil Aeronautics Board at present is empowered to act with respect to such rates for the transport of persons and property by air within the United States of America, each of the contracting parties shall thereafter exercise its authority in such manner as to prevent any rate or rates proposed by one of its airlines for services from the territory of one contracting party to a point or points in the territory of the other contracting party from becoming effective, if in the judgment of the aeronautical authorities of the contracting party whose airline or airlines is or are proposing such rate, that rate is unfair or uneconomic. If one of the contracting parties on receipt of the notification referred to in paragraph (B) above is dissatisfied with the rate proposed by the airline or airlines of the other contracting party, it shall so notify the other contracting party prior to the expiry of the first fifteen (15) of the thirty (30) days referred to, and the contracting parties shall endeavor to reach agreement on the appropriate rate.

In the event that such agreement is reached, each contracting party will exercise its best efforts to put such rate into effect as regards its airline or airlines.

If agreement has not been reached at the end of the thirty (30) day period referred to in paragraph (B) above, the proposed rate may, unless the aeronautical au-

thorities of the country of the air carrier concerned see fit to suspend its application, go into effect provisionally pending the settlement of any dispute in accordance with the procedure outlined in paragraph (G) below.

(F) Prior to the time when such power may be conferred upon the aeronautical authorities of the United States of America, if one of the contracting parties is dissatisfied with any rate proposed by the airline or airlines of either contracting party for services from the territory of one contracting party to a point or points in the territory of the other contracting party, it shall so notify the other prior to the expiry of the first fifteen (15) of the thirty (30) day period referred to in paragraph (B) above, and the contracting parties shall endeavor to reach agreement on the appropriate rate.

In the event that such agreement is reached, each contracting party will use its best efforts to cause such agreed rate to be put into effect by its airline or airlines.

It is recognized that if no such agreement can be reached prior to the expiry of such thirty (30) days, the contracting party raising the objection to the rate may take such steps as it may consider necessary to prevent the inauguration or continuation of the service in question at the rate complained of.

(G) When in any case under paragraphs (E) or (F) of this Article the aeronautical authorities of the two contracting parties cannot agree within a reasonable time upon the appropriate rate after consultation initiated by the complaint of one contracting party concerning the proposed rate or an existing rate of the airline or airlines of the other contracting party, upon the request of either, the terms of Article 13 of this Agreement shall apply.

#### ARTICLE 12

Consultation between the competent authorities of both contracting parties may be requested at any time by either contracting party for the purpose of discussing the interpretation, application, or amendment of the Agreement or Schedule. Such consultation shall begin within a period of sixty (60) days from the date of the receipt of the request by the Department of State of the United States of America or the Ministry of Foreign Affairs of the Republic of Korea as the case may be. Should agreement be reached on amendment of the Agreement or its route schedule, such amendment will come into effect upon confirmation by an exchange of diplomatic notes.

#### ARTICLE 13

Except as otherwise provided in this Agreement, any dispute between the contracting parties relative to the interpretation or application of this Agreement which cannot be settled through consultation shall be submitted for an advisory report to a tribunal of three arbitrators, one to be named by each contracting party, and the third to be agreed upon by the two arbitrators so chosen, provided that such third arbitrator shall not be a national of either contracting party. Each of the contracting parties shall designate an arbitrator within two months of the date of delivery by either party to the other party of a diplomatic note requesting arbitration of a dispute; and the third arbitrator shall be agreed upon within one month after such period of two months.

If either of the contracting parties fails to designate its own arbitrator within two months, or if the third arbitrator is not agreed upon within the time limit indicated, either party may request the President of the International Court of Justice to make the necessary appointment or appointments by choosing the arbitrator or arbitrators.

The contracting parties will use their best efforts under the powers available to them to put into effect the opinion expressed in any such advisory report. A moiety of the expenses of the arbitral tribunal shall be borne by each party.

#### ARTICLE 14

This Agreement, all amendments thereto, and contracts connected therewith shall be registered with the International Civil Aviation Organization.

#### ARTICLE 15

If a general multilateral air transport Convention accepted by both contracting parties enters into force, the present Agreement shall be amended so as to conform with the provisions of such Convention.

#### ARTICLE 16

Either of the contracting parties may at any time notify the other of its intention to terminate the present Agreement. Such a notice shall be sent simultaneously to the International Civil Aviation Organization. In the event such communication is made, this Agreement shall terminate one year after the date of its receipt, unless by agreement between the contracting parties the notice of intention to terminate is withdrawn before the expiration of that time. If the other contracting party fails to acknowledge receipt, notice shall be deemed as having been received fourteen days after its receipt by the International Civil Aviation Organization.

#### ARTICLE 17

This Agreement will come into force on the day it is signed.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed the present Agreement.

DONE in duplicate at Washington this twenty-fourth day of April, 1957, in the English and Korean languages, each of which shall be of equal authenticity.

For the Government of the United States of America:

CHRISTIAN A. HERTER

For the Government of the Republic of Korea:

YOU CHAN YANG

#### SCHEDULE

1. An airline or airlines designated by the Government of the United States shall be entitled to operate air services on each of the air routes specified via intermediate points, in both directions, to make scheduled landings in the Republic of Korea at the points specified in this paragraph:

From points in the United States of America to Seoul and beyond.



2. An airline or airlines designated by the Government of the Republic of Korea shall be entitled to operate air services on each of the air routes specified via intermediate points, in both directions, and to make scheduled landings in the United States at the points specified in this paragraph:

From points in the Republic of Korea to Alaska and Seattle.

3. Points on any of the specified routes may at the option of the designated airline be omitted on any or all flights.

## Surplus Agricultural Commodity Agreement With Peru

Press release 25S dated May 2

The United States and Peru on May 2 signed an agreement authorizing the sale to Peru, through private U.S. traders, of wheat and wheat flour to a total value of \$3.9 million, including ocean transportation. These sales are being made under authority and provision of the Agricultural Trade Development and Assistance Act of 1954, as amended. The agreement was signed at Lima by Peruvian Foreign Minister Manuel Cisneros Sánchez and U.S. Ambassador Theodore C. Achilles.

This agreement provides that payments under the sales program will be made in Peruvian *soles*. A substantial part of all *soles* accruing will be earmarked for loans designed to contribute to Peru's economic development and will be repayable in dollars or *soles* under the terms of a supplemental loan agreement which will be concluded at a later date. The balance will be reserved for the use of the United States in Peru.

## Current Actions

### MULTILATERAL

#### Atomic Energy

Statute of the International Atomic Energy Agency.  
Done at New York October 26, 1956.<sup>1</sup>  
*Ratification deposited:* Pakistan, May 2, 1957.

#### Automotive Traffic

Convention concerning customs facilities for touring.  
Done at New York June 4, 1954.<sup>1</sup>  
*Ratification deposited:* Egypt, April 4, 1957.

Customs convention on temporary importation of private road vehicles. Done at New York June 4, 1954.<sup>1</sup>  
*Ratification deposited:* Egypt, April 4, 1957.

#### Aviation

Convention for unification of certain rules relating to international transportation by air, and additional protocol. Concluded at Warsaw October 12, 1929. Entered into force February 13, 1933. 49 Stat. 3000.  
*Notification "that it considers itself bound" deposited:* Laos, May 9, 1956.

#### Customs Tariffs

Convention creating the International Union for the Publication of Customs Tariffs, regulations of execution, and final declarations. Signed at Brussels July 5, 1890. Entered into force April 1, 1891. 26 Stat. 1518.  
*Adherence deposited:* Morocco, March 27, 1957.  
Protocol modifying the convention signed at Brussels July 5, 1890 (26 Stat. 1518), creating an International Union for the Publication of Customs Tariffs. Done at Brussels December 16, 1949. Entered into force May 5, 1950.<sup>2</sup>  
*Notification of adherence given:* Morocco, April 23, 1957.

#### Fisheries

Protocol amending the international convention for the northwest Atlantic fisheries of February 8, 1949 (TIAS 2089). Done at Washington June 25, 1956.<sup>1</sup>  
*Ratification deposited:* Spain, May 2, 1957.

#### Health

Constitution of the World Health Organization. Done at New York July 22, 1946. Entered into force April 7, 1948. TIAS 1808.  
*Acceptance deposited:* Ghana, April 8, 1957.

#### Safety at Sea

Convention on safety of life at sea. Signed at London June 10, 1948. Entered into force November 19, 1952. TIAS 2495.  
*Acceptance deposited:* Czechoslovakia, March 25, 1957.  
*Notification by Portugal of application to:* Portuguese territories, October 23, 1956.

#### Trade and Commerce

Protocol of rectification to the French text of the General Agreement on Tariffs and Trade. Done at Geneva June 15, 1955. Entered into force October 24, 1956 (TIAS 3677).  
*Signature:* Turkey, April 17, 1957.  
Sixth protocol of supplementary concessions to the General Agreement on Tariffs and Trade. Done at Geneva May 23, 1956. Entered into force June 30, 1956 (TIAS 3591).  
*Schedule of concessions entered into force:* Denmark, April 15, 1957; Austria, April 25, 1957.

#### Weather Stations

Agreement on North Atlantic ocean stations. Dated at Paris February 25, 1954. Entered into force February 1, 1955. (TIAS 3186).  
*Acceptances deposited:* Norway, April 21, 1955; Ireland, May 17, 1955; Denmark, June 1, 1955; Switzerland, November 7, 1955; Netherlands, January 24, 1956; France, May 3, 1956; and Belgium, April 9, 1957.

#### Whaling

Protocol amending the international whaling convention of 1946 (TIAS 1849). Done in Washington November 19, 1956.<sup>1</sup>  
*Ratification deposited:* Union of South Africa, April 25, 1957.

<sup>1</sup> Not in force.

<sup>2</sup> Not in force for the United States.

## BILATERAL

### Ecuador

Agreement for financing educational exchange programs. Signed at Quito October 31, 1956. Entered into force March 8, 1957 (date of publication in the Official Register of Ecuador).

Agreement for the establishment and operation of a rawinsonde observation station at Guayaquil, Ecuador. Effected by exchange of notes at Quito April 24, 1957. Entered into force on date of signature of an arrangement embodying the technical details.

### Ethiopia

Economic assistance agreement. Effected by exchange of notes at Addis Ababa April 25, 1957. Entered into force April 25, 1957.

### Germany, Federal Republic

Agreement relating to the disbandment of the German element of the Civilian Service Organization pursuant to the Forces Convention (TIAS 3425). Effected by exchange of notes at Bonn April 11, 1957. Entered into force April 11, 1957.

Agreement supplementing the agreement of April 11, 1957, relating to the disbandment of the German element of the Civilian Service Organization pursuant to the Forces Convention (TIAS 3425). Effected by exchange of notes at Bonn April 11, 1957. Entered into force April 11, 1957.

### Korea

Agreement amending the agricultural commodities agreement of March 13, 1956, as amended (TIAS 3516, 3667, and 3733). Effected by exchange of notes at Seoul April 19, 1957. Entered into force April 19, 1957.

### Turkey

Agreement to facilitate interchange of patent rights and technical information for purposes of defense. Signed at Ankara May 18, 1956.

*Entered into force:* April 2, 1957 (date of receipt by the United States of notification of constitutional approval by Turkey).

## DEPARTMENT AND FOREIGN SERVICE

### Meeting of Foreign Service Institute Advisory Committee

The Department of State announced on April 22 (press release 231) that the Advisory Committee for the Foreign Service Institute was holding its fifth meeting at Washington that day. Present and future developments in the Institute's program of in-service training for U.S. Foreign Serv-

ice officers and other Government employees engaged in foreign affairs were to be considered. This committee was appointed by Secretary Dulles to advise the Institute. Since its last meeting in January the only change in its composition has been the addition of Gen. Alfred M. Gruenther, president, American National Red Cross.

The purpose of the meeting on April 22 was to discuss with the Institute director, Harold B. Hoskins, developments in the Department's training programs since the last meeting, as well as proposals for future training. It was reported to the committee that during the first 9 months of fiscal year 1957 there was a total of 4,459 students enrolled in all FSI programs. This represents a 14 percent increase over the corresponding period in fiscal year 1956. In addition to the career training program the 1957 figures include intensive full-time training of 150 Foreign Service officers in 23 languages, a 30 percent increase in enrollment over the corresponding period in 1956.

The committee was received by Under Secretary Christian Herter and later reconvened in Mr. Hoskins' office.

Those present, in addition to Mr. Hoskins, who is deputy chairman of the committee, were:

Loy W. Henderson, Deputy Under Secretary for Administration and chairman of the committee

Robert D. Calkins, president, The Brookings Institution, Washington, D.C.

Isaac W. Carpenter, Jr. (ex officio), Assistant Secretary—Controller, Department of State

Robert Cutler, Special Assistant to the President

Gen. Alfred M. Gruenther, president, American National Red Cross.

Clyde K. Kluckhohn, director, Laboratory of Social Sciences, Harvard University

William L. Langer, chairman, Committee on Regional Studies, Harvard University

Robert Newbegin (ex officio), Deputy Assistant Secretary for Personnel, Department of State

Charles E. Saltzman, Goldman, Sachs & Company, New York, N.Y.

Joseph C. Satterthwaite (ex officio), Director General of the Foreign Service, Department of State

Henry M. Wriston, director, The American Assembly, Columbia University



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| *252 | 4/29 | Thompson nominated Ambassador to U.S.S.R. (biographic details).          |
| *253 | 4/29 | McConaughy nominated Ambassador to Burma (biographic details).           |
| †254 | 4/29 | Note to Hungary on postal cancellation stamp.                            |
| 255  | 4/30 | Dulles: statement before Senate appropriations subcommittee.             |
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| *257 | 5/1  | Farland nominated Ambassador to Dominican Republic (biographic details). |
| 258  | 5/2  | Surplus commodity agreement with Peru.                                   |
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| 263  | 5/3  | Delegation to 10th World Health Assembly (rewrite).                      |
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\*Not printed.

†Held for a later issue of the BULLETIN.

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The pamphlet also contains a listing and brief description of the principal political parties, labor unions, federations, and syndicates, other mass organizations, and individuals playing a part in the series of events.

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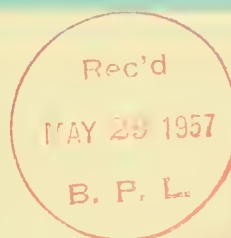
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THE DEPARTMENT OF STATE

# Bulletin

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*The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.*

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**PRICE:**

52 issues, domestic \$7.50, foreign \$10.25  
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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 19, 1955).

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# Tasks Ahead for the Free World

by Robert R. Bowie

*Assistant Secretary for Policy Planning*<sup>1</sup>

This occasion has inspired me to peer ahead in international affairs. It is impossible to predict in detail how the world will look in 5 years, much less in 10. It may not be quite so hopeless to identify the factors which will influence the outcome and to appraise their direction. In any case that will be my endeavor.

In doing so, I will consider two questions:

One is: What basic forces, other than our own actions, are likely to shape world affairs over the next 5 or 10 years? The other is: What goals or objectives should we set for ourselves in the face of that kind of world?

## Basic Forces and Trends

First, then, what are the basic factors and trends that are at work in the world? Leaving aside our own actions, it seems to me that one can isolate at least four forces which are crucial. Let me explain briefly what these four are and why they seem central.

### *Soviet Power*

The first is the obvious one: Soviet power.

Over the past 4 decades the Soviet system has shown itself to have great capacity for survival. It has gone through a remarkable variety of challenges: the abuse of its rulers, the chaos of invasion, the death of Stalin. It has managed to survive all these strains and stresses and to solve the problem of succession, at least so far.

Moreover, the Soviet Union has shown great

capacity for growth and for increase in its power, both economic and military. Over quite a long period it has maintained a very rapid rate of growth—in the last 5 years, for example, something of the order of 7 percent a year. And in the industrial sector, where they have concentrated their effort, the Soviets have achieved a growth rate of about 10 to 12 percent.

These are high rates of growth compared with those of other industrial countries, including our own, where the rates are much nearer 4 percent. Soviet growth has been bought, of course, at terrible cost in human welfare and freedom. It has been done at the expense of the consumer and agriculture. These demands will certainly loom larger in the future.

Indeed their rate of growth may well slow down somewhat. Even so, we must still assume that the next decade will show steady Soviet growth, especially in the industrial sector.

Now that prospect has obvious implications, both for Soviet military capability and for its ability to assist Communist countries like China and also, if it wishes, underdeveloped countries, as it has been doing.

But this is only half the picture. We should also recognize that there are major pressures for change within the Soviet Union.

These are largely inherent in the evolution of Soviet society. To achieve their growth, the Soviet leaders have had to train and educate their people. They have now developed an industrial society—over 50 percent of the population is urban and industrial. And these factors gradually increase the demands for greater legality, for better living conditions, for more freedom, for wider dispersion of authority, and so on. Simi-

<sup>1</sup> Address made before the American Society of International Law at Washington, D. C., on Apr. 27. At a business session on Apr. 27 the Society reelected Secretary Dulles as its honorary president.

larly, in the satellites there are the pressures for national independence which erupted in Hungary and Poland.

Over time, these forces are surely going to bring changes within the Soviet Union and in its relation to the satellites. But they do not threaten to disrupt the Soviet system or materially to reduce its strength. And a long time will probably be required to erode its expansionist tendencies.

So the first basic factor, it seems to me, is the fact of growing Soviet power, which will probably remain hostile over the next decade.

### *The Revolution in Warfare*

The second major fact is also one with which you are fully familiar, I am sure. This is the revolution in military technology resulting from superweapons.

Destructive capacity has been multiplied by a factor of a million as compared with the largest weapons of the last war. Today a single plane can deliver explosive force over four times as great as all the bombs dropped during World War II.

Even when these facts are familiar, it is hard for our thinking—the thinking of any of us—to take in their meaning. But it is clear that they have utterly altered the significance of war and deprived large-scale warfare of rational political purpose. Conversely, they have put a tremendous premium on maintaining peace and stable conditions which will not give rise to armed conflict.

What will be the consequences in a world where two powers have or shortly will have this capacity for mutual obliteration? It is hard to foresee. It could give rise to blackmail of nations which do not have these capabilities. It could give rise to temptations to local aggression under the supposed shield of atomic stalemate. Or, under some conditions, it could perhaps give rise to a considerable degree of stability based on mutual deterrence.

How the situation actually develops will turn on many other factors besides the weapons themselves. Not least of these will be the degree of instability in areas of the world outside the borders of the Soviet Union and the United States. What happens, for instance, in the satellites, what happens in areas like the Middle East, what

happens in the Far East, will all have a bearing on whether these weapons make for stability or make for greater instability, blackmail, local war, and the like.

### *Afro-Asian Revolution*

The third major factor shaping our world arises from the radical changes taking place in Asia and Africa. Here within the last decade some 700 million people have achieved national independence and created some 19 new nations.

The people in these countries are driven by the aspiration to improve their economic lot. Their societies are now marked by the most extreme poverty. Their per capita national income averages about one-tenth of that in the industrialized countries of the West. These countries are determined to improve their economic conditions. They believe it is possible, and they are demanding that it be done.

The obstacles to their improvement are fantastic. There is the sheer fact of poverty itself. There is the illiteracy, which is typically 80 or 90 percent. There is the serious scarcity of skills. There is the great shortage of capital. There is the lack of those habits of mind and custom, of self-discipline and managerial experience essential for economic progress.

Thus their task in trying to achieve economic development is staggering. Yet their success or failure is going to determine very largely the political course in these countries. If moderate leaders, as in India, are not able to produce results which offer their people hope, they are almost surely going to turn to other more radical solutions, and the Communists are almost certain to be able to exploit this frustration.

A second characteristic of these peoples derives from their colonial experience. Their nationalism is intense and often takes an anti-Western bias; their thinking is colored by the memories of past domination, by a sense of inequality, which the West means for many of them. The bias against the West is a serious obstacle to the kind of work with these people that is in our mutual interest. The Communists exploit these feelings with great skill and pose as the supporters of the independence of these countries as against fancied Western efforts at domination.

In addition, this nationalism produces conflicts or quarrels with neighbors, as in the Kashmir dispute, the dispute between Afghanistan and Pak-



istan, the Israeli issue, and so on. These local disputes are a constant threat of outbreak of violence which could embroil other parts of the world by taking sides. Thus these areas are inherently a serious source of instability, both in the political sense and also as possible sources of military conflict.

### *Relative Decline of Europe and Japan*

The fourth factor which seems to me central is the relative decline of former centers of power in Europe and Japan since World War II.

In neither case is there really an economic decline, because both areas are enjoying a scale of economic activity which they never before reached. Nor is there essentially a loss of political stability, because in general the moderate groups are in control in these areas. The shift in their relative position reflects the growth of the U.S. and the U.S.S.R., the development of atomic weapons, the loss of colonies, and the like. As a result, these formerly strong areas are no longer able to carry on the role in the world which they were once accustomed to. The process of adjusting to this change is not an easy one. It tends to create frictions and to strain the ties among us.

These then are four basic factors that seem likely to shape the world we will face for some years: a strong and hostile Soviet Union; a growing arsenal of weapons of unprecedented destructive power; the drive for political and economic progress in the less developed areas; and relative weakness in the former power centers of Western Europe and Japan. The analysis so far leaves out of account one factor which may be decisive: our own actions. Let me now turn to them.

### **Free World Tasks**

In the light of these forces or trends, what should be the main goals or tasks for the free world over the decade ahead? I would suggest five:

#### *Safeguarding Peace*

The first task must be to stabilize peace so as to prevent both deliberate and unintended war. This has two aspects.

To deter deliberate aggression our best hope at present is to have the means to punish it effectively. The aggressor must be convinced that his crime will not pay. For this purpose it is not enough to be able to retaliate with all-out power.

The free world must also be able to apply limited force in more selective and flexible ways. Otherwise we should run the risk of not being able to respond to specific limited acts of aggression.

The other danger is that the world could blunder into a major war without meaning to. In areas like the Middle East, parts of the Far East, and the satellites, which are unstable or inflamed, great power interests are involved or could easily become involved. The outbreak of conflict in these areas could lead by steps and countersteps to the kind of all-out war which would not serve the interests of anybody.

We need to use all the skills and machinery we have to keep such situations from breaking out into violence. For this purpose the U.N. can be very useful.

It would be a mistake to overestimate its capabilities, but it would also be a mistake not to use it fully in the ways in which it can be effective. And it seems to me essential to foster in all the ways we can the concept of the rule of law and the outlawing of resort to force in the settlement of disputes. Much can also be done by other organizations such as NATO and the Organization of American States. And not least is the need for old-fashioned diplomacy in resolving existing conflicts and disputes peacefully.

#### *Control of Armaments*

Let me turn now to the second task which is closely related to the first. We must try to bring armaments, especially nuclear armaments, under some degree of control.

In saying this I am not suggesting that armaments can be eliminated entirely in this period. The practical and political obstacles make any system of total disarmament out of the question. But the issue is a false one if it is posed as a choice between doing nothing and attempting to disarm totally. We need a much more flexible approach to the problem. Small steps may have great value in reducing the likelihood of nuclear war. For example, any degree of inspection might materially increase the deterrent by making it more difficult to launch a surprise attack. In the absence of ability to achieve surprise any temptation to initiate all-out nuclear war would be substantially reduced. Similarly, it would be useful to put limits on the spread of nuclear weapons throughout the world. In many hands they could hardly fail to create new tensions and

dangers. Finally, we should try to divert future output of nuclear material into peaceful uses and at least start to transfer some of the existing stockpiles to such purposes.

Such modest measures would fall far short of disarming entirely. But they would serve to limit and control armaments and perhaps gradually to reduce the burden of safeguarding the peace. And that could lay the basis for further steps.

#### *Economic Development*

The third task for the free world is to assist economic growth in the less developed areas. We have a deep interest in the continued independence of these countries under moderate governments. If they cannot achieve social and economic progress under these auspices, the prospects look grim indeed. Their failure could radically change the present uneasy political balance in the world.

As I have said, there is no easy road to growth in the less developed countries. They start with severe handicaps in terms of skills, experience, illiteracy, and capital. Economic progress will require a social revolution over a very short period. The disruption of old traditions and institutions will create unstable conditions and offer great opportunities for Communist exploitation.

If these people are to achieve economic growth, it will have to be done mainly by their own efforts. No outsider can possibly organize and bring about the basic changes which will be required. But even if they make the best use of their own resources, the margin between success and failure will be a narrow one. Capital and training from outside can do much to widen that margin. And such help will be required for some years to come.

Our interests and our ideals dictate that we should devote substantial resources to training and technical assistance and to providing economic help for development purposes. In extending it our methods should be designed to foster self-help and efficient use of resources. The Secretary of State has recently submitted to the Congress certain proposals on our mutual security program. Those relating to economic development are designed to clarify our purposes and to create machinery better adapted to the task. If adopted, these proposals should improve the program and enhance its value.<sup>2</sup>

#### *Western Europe and Japan*

Our fourth objective must be to assist Western

Europe and Japan to play a role in the world in keeping with their potentialities.

Under modern conditions, Western Europe is weakened by its fragmentation. In recent years the European states have attacked this weakness in various ways. In the Council of Europe, the OEEC, the European Payments Union, they have worked together on common problems. Six of these nations have gone even further. In the Coal and Steel Community and now in EURATOM and the Common Market, they are seeking to create an integrated European community with common institutions. We must do all we can to foster this integration and the drawing together of the European countries in their effort to create a more effective unit in the free world.

In the Far East prospects for peaceful progress depend greatly upon Japan. The prosperity of Japan rests heavily on access to raw materials and to markets and trade outlets overseas. A prosperous and free Japan can contribute much to the vitality of the free world. But if these benefits are to be achieved, ways must be found to allow Japan to sell its products within the free world.

#### *Communist Evolution*

As a final objective we must do what we can to foster the evolution of the Communist states toward a more liberal pattern. Let us not overestimate what we can do for this purpose. Our first aim must be to try to create a set of conditions to which the Soviet Union will have to adjust and adapt its own conduct. That, of course, is a fundamental purpose of the actions I have already outlined. They are designed to forestall Communist resort to military force and the spread of communism by nonmilitary means. In this way time will have a chance to work its changes on Soviet society.

Meanwhile, there are some other things we can do which may have a modest effect in speeding that evolution. For instance, exchanges of information and of people open up the Communist world to ideas and influences from abroad and tend to strengthen the forces for change within.

Again, we can at all times make it clear that

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<sup>2</sup> For a statement made by Secretary Dulles on Apr. 8 before the Senate Special Committee To Study the Foreign Aid Program, see BULLETIN of Apr. 29, 1957, p. 675.



the free world does not threaten Soviet national interests if these are defined in ways which do not call for domination of other states. In other words, the Soviet Union should be made aware that it could have a secure national life in a world of independent states if it is prepared to forgo expansionist goals.

With respect to the satellites our aim should not be violent revolution but the steady growth of greater independence of the Soviet Union. And again we can assure the Soviets that, if they accommodate to the pressures for freedom in the satellites, the free world will not seek to create hostile neighbors along its borders.

These then are five major tasks to which I think the free world must devote itself in the coming years. In a brief speech it is not feasible to fill in details. I can only hope that enough has been said to indicate why each of them seems necessary in coping with the conditions that lie ahead.

### Conclusion

In concluding, I would like to stress two final points about these tasks.

The first is this. Each of them will require cooperative action among the free nations. None of them can be achieved in isolation by any single nation—even our own. Our military power, our economic power, our diplomacy, and our ideas can do much to influence the direction in which the world develops. But, to be effective, our efforts will have to be combined with those of other free nations. Each will have to contribute its due share and play its proper role.

My final point is that the tasks I have outlined pose special problems for democratic nations. These goals are not to be realized within a year or even within a decade. They call for steady, patient effort over an extended period of time. They will demand heavy burdens and sacrifice. The challenge is not a dramatic one. And the necessary actions will not produce clear results at a specific time. There will be a constant temptation to let down and to cut back. Yet these tasks are essential for the survival of freedom.

It is an article of faith with all of us that in the long run the triumph of freedom is inevitable, that the future is on our side. In a very real sense this is true. Hungary and Poland are the most recent testimony that the values and institu-

tions of freedom respond to the deepest yearnings of mankind. But in this situation we should also recall a wise saying of Mr. Justice Holmes: "The inevitable comes to pass by human effort." We can be sure that freedom will prevail if free men put forth that necessary degree of effort.

## NATO Ministerial Council Meets at Bonn

*Following is a statement made by Secretary Dulles upon his return to Washington on May 7 following a 2-day meeting of the Ministerial Council of the North Atlantic Treaty Organization at Bonn, Germany, on May 2 and 3, together with the text of the final communique issued by the Council at Bonn on May 3.*

### STATEMENT BY SECRETARY DULLES

Press release 276 dated May 7

I return from a meeting of the 15 ministers of the North Atlantic Treaty countries.<sup>1</sup> It was in many respects the best NATO meeting that I have ever attended. There was an informality and a scope of discussion which stemmed from a fresh sense of common purpose.

We agreed that NATO must be in a position to use all available means to meet any attack which might be launched against it. We will not be deflected by Soviet objections. We did not admit that a nation which has itself been guilty of aggressive expansion, and which only recently attacked Hungary, could properly dictate the defensive policies of the free. Our defensive policies do not, of course, preclude limitations of armament which are mutual and balanced and where promises will be verified by adequate inspection and control.

Following the meeting at Bonn of the NATO Council I met at Paris with the heads of 13 United States diplomatic missions in Europe. Such regional meetings greatly assist the implementing of our foreign policies.

My visits to Bonn and Paris also enabled me

<sup>1</sup> For a departure statement by Secretary Dulles and an announcement of the U.S. delegation, see BULLETIN of May 20, 1957, p. 804.

to have useful talks with Chancellor Adenauer of Germany and with Premier Mollet of France.

## TEXT OF COMMUNIQUE

Press release 275 dated May 7

The North Atlantic Council, presided over by Mr. Gaetano Martino, Foreign Minister of Italy, held its regular ministerial meeting in Bonn on May 2 and 3, 1957. The Secretary General, Lord Ismay, acted as Chairman of the Council's discussions.

The Atlantic Alliance has always been and remains purely defensive. It was created to protect its member countries from any aggression. It has succeeded. But the danger of aggression clearly continues, and the countries of the Atlantic Alliance must therefore remain united to provide for their defense.

The Council noted that since its last meeting the Soviet leaders have launched a campaign which, while throwing the cloak of oblivion over Soviet repression in Hungary, is designed to induce public opinion in various member countries to oppose the modernization of defense forces, and to weaken the principle of collective security in NATO.

The Council agreed that one of the objects of this campaign was to ensure for Soviet forces a monopoly of nuclear weapons on the European Continent. Such a situation clearly could not be accepted. It was with satisfaction that the Council noted the firm replies given to these Soviet maneuvers.

The Atlantic Alliance must be in a position to use all available means to meet any attack which might be launched against it. It is the availability of the most modern weapons of defense which will discourage attempts to launch any such attack on the Alliance. Pending an acceptable agreement on disarmament, no power can claim the right to deny to the Alliance the possession of the modern arms needed for its defense. If, however, the fears professed by the Soviet Union are sincere, they could be readily dissipated. All that is needed is for the Soviet Union to accept a general disarmament agreement embodying effective measures of control and inspection within the framework of the proposals made on numerous occasions by the Western Powers, which remain an essential basis of their policy.

During their discussions on the problem of security, the question was raised of the balance as between the latest weapons and conventional arms. The Council is awaiting the results of the studies now in hand by the NATO military authorities to enable member countries

to decide together on the steps necessary for the development and balance of the different types of forces needed. The Council remains convinced that these decisions taken in common should take into account the need for NATO to retain an effective deterrent against aggression, including a powerful shield of land, sea and air forces, to protect the territory of member states.

Recent events in Hungary have confirmed that freedom counts for nothing in Soviet eyes, and that the U.S.S.R. is prepared to use force to crush the legitimate aspirations of nations. The Council agreed that the continued brutal repression of the struggle for freedom of the heroic Hungarian people remains, and continues to make difficult an improvement in East-West relations.

The Council discussed the effect of political developments in recent months on the question of German reunification. They decided to continue their efforts with every means at their disposal to induce the Soviet Government to carry out its agreement that Germany should be reunified by means of free elections. The Ministers view the prolonged division of Germany and the anomalous situation of Berlin as a continuing threat to world peace. They accordingly reaffirmed their determination by peaceful means to continue and intensify the common policy for the restoration of Germany as a free and united state within the framework of a system of European security. They directed particular attention to the inhumanity of the continued division of the German people.

The Council reviewed recent developments in the Middle East. They concluded that while the dangers to peace in the region remain great, certain new elements give promise of limiting the opportunities for communist expansion and subversion. The Council emphasized the importance of current initiatives to improve the situation and to reinforce the efforts already made to ensure the security and integrity of countries in the Middle East.

The Ministers considered the state of the Alliance in the light of political developments, both within and without the NATO area, which have taken place since they last met five months ago. In this connection they reviewed the progress achieved in political consultation under the new procedures inaugurated as a result of the recommendations of the Committee of Three approved last December.<sup>2</sup> They concluded that useful and concrete results had been achieved, and that the Alliance was acquiring both greater maturity and solidarity.

The Council noted the report submitted by Lord Ismay, and conveyed to him their thanks and gratitude for the supreme services which he has rendered to the cause of the Alliance in the past five years.

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<sup>2</sup> *Ibid.*, Jan. 7, 1957, p. 18.



## Ambassador Richards' Mission to the Middle East

*Following are a radio and television address made by Ambassador James P. Richards on May 9 at the conclusion of his mission to the Middle East and a statement he made at the airport upon his return to Washington on May 8, together with the texts of joint communiques issued after his visits to Greece, Libya, Tunisia, and Morocco.<sup>1</sup>*

### ADDRESS BY AMBASSADOR RICHARDS

Press release 281 dated May 9

Yesterday afternoon I returned to Washington from a trip of almost 30,000 miles. In the past 2 months my small staff and I have traveled by plane, train, and a variety of vehicles throughout the general area of the Middle East—from Pakistan on the east to Morocco on the west—from Greece on the north to Ethiopia on the south. President Eisenhower wanted me to explain the spirit and purposes of the American Doctrine to any government in the area which wanted such an explanation. This morning I had the pleasure of telling the President about my trip, and now I want to tell you about it.

What is the American Doctrine?

On January 5 the President stated to the Congress that the threat of international communism to the general area of the Middle East was such that the American people were obliged to undertake special new responsibilities there.<sup>2</sup> On March 9th the Congress adopted a joint resolution endorsing this doctrine.<sup>3</sup>

<sup>1</sup> For an announcement of an interim report on Ambassador Richards' mission, together with texts of communiques from Lebanon, Libya, Turkey, Iran, Pakistan, Afghanistan, Iraq, and Saudi Arabia and press statements on the Baghdad Pact, see BULLETIN of May 6, 1957, p. 724. For a statement from Yemen and communiques from Ethiopia and the Sudan, see *ibid.*, May 13, 1957, p. 763. Mr. Richards also visited Israel on May 2 and 3.

<sup>2</sup> *Ibid.*, Jan. 21, 1957, p. 83.

<sup>3</sup> *Ibid.*, Mar. 25, 1957, p. 480.

The most important provisions of the doctrine are: that the President may use United States armed forces to assist any nation or group of nations in the general area of the Middle East requesting assistance against armed aggression from any country controlled by international communism; and that the United States may furnish economic and military assistance at the request of nations in the area to help them build up their own strength against international communism.

The doctrine offers the cooperation of the United States in resisting overt Communist attack and assistance in building up the ability of nations of the area to protect their territorial integrity and national independence. It is not a purpose of the doctrine to seek alliances, bases, or any special sphere of influence within the region. Moreover, respecting as it does its own sovereignty, the United States could hold no thought of impinging on the sovereignty of others. The American Doctrine stands as a symbol of the stake the American and Middle Eastern peoples have in each other.

The President assigned me the task of visiting the Middle East countries to explain this American Doctrine. He conferred upon me the authority to agree in principle on the spot to United States economic and military assistance to implement it. So I visited all countries in the area, 15 of them, which showed a genuine desire to discuss the American Doctrine. I omitted three countries. In one case no firm invitation was received; in another the attitude of the government showed clearly that there was no real desire for frank and sincere discussions; in the third, current developments made it appear preferable to extend United States economic assistance through other means.

The American Doctrine, of course, is only one aspect of our policy toward the area. It is not intended to solve pressing intra-area disagreements. This does not mean that we are neglecting them. On the contrary, we are working inten-

sively on these problems through other means and believe the containment of international communism will assist in their solution. Therefore, while I listened to the views of the governments visited on such intra-area problems and reported them to the President, my mission did not concern itself specifically with their solution.

### **How the Mission Worked**

Now, let me tell you how we worked on this trip. We were forced to meet a very tight schedule and could spend only a little over 2 full days in an individual country. It was our practice to confer immediately after arrival with the American Ambassador and his country team, including representatives from the Departments of State and Defense, the International Cooperation Administration, and the United States Information Service. I would like to pay a tribute to these and other American officials, who are working devotedly for the interest of their country often in extremely difficult circumstances.

This family discussion was quickly followed by intensive conferences with the top officials of the host government. At this meeting, I gave a full explanation of the President's program, answered questions, and tried to remove any doubts. I was always careful to explain the burden of defensive armaments the United States is already carrying for the purpose of maintaining free-world security. I pointed out that economic and military assistance under the doctrine must come from funds already appropriated by the Congress. The limited amounts available could by no means meet all the needs of the area countries but had to be channeled to the most urgent requirements. Naturally there was some disappointment at the amounts we could authorize for an individual country, but I believe at the same time there was increased recognition and appreciation of the efforts the American people are making.

Afterward members of my staff would study with appropriate local officials various problems upon which the United States could render help. These technical meetings were followed by a further plenary conference at which our business was concluded. We met a variety of local circumstances. For example, in Turkey our conference with the Prime Minister resembled that of a board meeting of a large United States corporation. In

Saudi Arabia we were received in audience by His Majesty in his new palace in the rapidly growing city of Riyadh. Afterward we were able to meet young Prince Mashhur, who visited this country with his father. In Iraq, the dynamic Prime Minister took personal charge of the negotiations.

Perhaps the dominant impression I received from the trip was that of peoples with vast aspirations, determined to make their dreams come true. In the newly independent countries they have just tasted the thrill of governing themselves, and all are awake to the possibility of improving their lots. Now the Communists claim they have the quick easy answers. They make big promises of economic aid. They provide arms to promote trouble. They do not hesitate to take sides in intra-area problems, because perpetuation of these problems furthers their aims. They pose as super nationalists and at times succeed in deceiving well-intentioned persons. Khrushchev and Bulganin visited some parts of the area. They spoke deceptively of peace and promised the moon.

### **Confidence in U. S. Intentions**

One of my tasks was to convince the people of the Middle East of our own sincerity. I sought to determine whether the leaders of the countries we visited had confidence that we were really trying to help them and were not motivated by selfish purposes. You would have been very proud, as I was, at the responses I received. There is an openness of heart toward the United States. President Eisenhower is held in the highest regard as a man of peace sincerely interested in aiding others. The position the United States Government took last fall at the time of the attack on Egypt has been a most convincing demonstration that the American people stand against any aggression and for the principles of the United Nations Charter. This respect for United States leadership and confidence in our intentions is perhaps the greatest asset we have.

I found real recognition of the significance of the United States decision to pledge United States forces against international communism. The military men in particular appreciated this assurance, and you could tell that it gave them a new feeling of security and determination to do better themselves.

As I said earlier, under the authority given by



the President I was able to make decisions in principle on the spot to provide military and economic assistance. We gave some military assistance—guns, tanks, and things like that—where there appeared to be a special need. In several countries of the Middle East we have had military assistance programs in progress for a number of years. These are administered through United States military assistance advisory groups as a part of our regular mutual security activities. In general I found no need for an immediate increase in the level of this aid in countries already receiving it. I was particularly interested in the ability of local armed forces to maintain internal security and to resist potential external aggression by international communism. Some soft spots appeared, and my mission authorized additional military equipment to fill in. We did not, however, attempt to consider the entire military aspirations of each country. The total of these would have been too vast to be satisfied from the limited funds available. We concentrated instead on those things which would give an immediate increase in area ability to resist either overt or covert aggression by international communism.

We also gave some economic help—partly grant and partly loan. We were particularly interested in projects which would encourage regional cooperation enabling the countries to help each other. For example, we agreed to aid the Baghdad Pact organization in the fields of telecommunications and highways. We gave some help in the field of transportation, to promote improved regional trade facilities and to link outlying areas with their capital city so as to bring people into closer touch with their government. In some countries, only foreign radio programs—and thus foreign propaganda—were reaching into rural and urban homes. So we provided means of developing their own broadcasting facilities.

This aid—economic and military—was not of great magnitude in terms of the total requirements but, as one Prime Minister said, does demonstrate our desire to cooperate with area countries in building up their own strength.

I came to realize more than ever the mutuality of our interests with those of likeminded people of the Middle East. The problem of building a better world is a two-way street, and we must depend on good will of others as they must depend upon us.

I am glad to be able to report to you that all of the 15 countries we visited asserted determination to maintain their national independence against any threat. Most recognize the danger of international communism, although some are more conscious of this menace than others. Most welcomed the American Doctrine publicly. None rejected it. We were careful not to press any nation to take a public stand against its own judgment.

Only the future will tell what lasting contribution the mission I headed has made in the world's conflict of ideologies. But it was evident to me that the peoples and governments of the Middle East area have trust in the intentions of the United States, are determined to protect themselves from international communism, and have generally welcomed the American Doctrine. In enunciating this doctrine we have assumed a heavy moral responsibility. We have charted a bold course, one that in the world of today involves continuing hazards. But it is a course which our responsibilities will not permit us to abandon. It is my hope and my belief that the Middle East nations will sail this course with us.

## ARRIVAL STATEMENT

Press release 278 dated May 8

I am glad to be back home after almost 2 months of virtually continuous travel covering approximately 25,000 miles and 15 countries. We visited 15 countries of the nations in the area to which the American Doctrine relates. Due to the President's request for me to return for consultations I was unable to complete arrangements for visits to Egypt, Syria, and Jordan. We shall continue our contacts through normal diplomatic channels with those states in the area which evince a firm desire to consult regarding our Middle East proposal.

The purpose of our mission was simple: to explain the purposes of the Middle East resolution and to consult and agree on ways in which the United States and the individual states of the area might cooperate under the terms of the resolution. None of the 15 nations which we visited rejected proposals of American aid within the framework of the doctrine. Some of the states desire to consult further on the specific terms of

our cooperation. In a great majority of the countries we were able to establish an identity of interests and to work out specific agreements for mutual cooperation.

We have learned much in the past 2 months of the needs, the desires, and the hopes of these states, and I am deeply impressed by the possibilities of fruitful collaboration in establishing conditions leading toward stability, security, and economic progress in the area—all necessary prerequisites to our common goal, peace.

My first duty is to report to the President and to the Secretary of State on my findings and the results of my trip and through them to the Congress which authorized the proposal. I might add that I wouldn't say that this was an easy trip but it was made easier for us by the deep respect for the President of the United States and the proposals he has made for the security of the Middle East through this doctrine.

I want to also say that I was even surprised at the confidence of the governments and the people of that area as to the high moral purposes of the United States in what they are trying to do. They give both the President and the Secretary of State much credit for what we might call tendencies toward permanent peace in that area.

## **TEXTS OF COMMUNIQUE**

### **Greece Joint Communiqué**

ATHENS, GREECE  
*May 2, 1957*

Press release 264 dated May 4

During his visit to Athens April 28 to May 2, 1957, Ambassador James P. Richards, Special Representative of the President of the United States, discussed with Prime Minister Karamanlis and other members of the Greek Government President Eisenhower's proposals for the Middle East as approved by the United States Congress.

During these discussions the following conclusions were reached:

1. Recognizing that international relations must be governed by a mutual respect for the independence and sovereign equality of countries, both parties reiterate their faith in the principles and aims of the Charter of the United Nations.

2. In order to defend the independence and freedom of all peoples, both parties recognize the necessity of facing in common the perils, from whatever source, which threaten these blessings.

They agree that International Communism is a very great danger for freedom and independence and that to face it continuous vigilance as well as cooperation and solidarity of all free peoples is necessary.

3. To ensure the independence of economically weaker and technically less developed countries it is necessary to provide them with means of gradually developing their economy, of increasing their national income and of raising their standard of living.

4. More particularly, both parties recognize that this cooperation and solidarity should be manifested in favor of countries of the Middle East and to those which facing similar economic problems are, geographically, historically and economically in immediate and continuous relations with them. For this reason, they consider that Greece also is included in countries covered by the Eisenhower Proposal.

5. Greece, with long-standing ties of undisturbed friendship for the Arab world, is especially desirous to see the Arab countries preserve their full independence and promote their economic prosperity.

6. Greece has 10 years' experience of American aid and cooperation which, without any limitation of her national independence or her external policy, protected her freedom and healed her wounds from war and Communist aggression and, therefore, believes that under the same conditions of preservation of national independence of the above-mentioned countries, similar results could be achieved.

7. For the achievement of all the above aims, both countries will make use of all appropriate peaceful means, and especially of those offered by the United Nations, in order to solve matters arising in the area of the Middle East.

8. It is understood that various programs of aid already agreed upon or in progress in the area covered by President Eisenhower's proposals are neither affected nor suspended. Any aid supplied in application of these proposals will be furnished over and above all aid otherwise made available.

9. Finally it was agreed that both Governments should continue through appropriate channels



the study of ways and means by which the above aims can be achieved for the peace and prosperity of so many millions of people.

#### **Libya Joint Communiqué**

TRIPOLI, LIBYA  
May 4, 1957

Press release 267 dated May 6

At the request of the Government of Libya, Ambassador James P. Richards, Special Assistant to the President, stopped at Tripoli on May 4, 1957 en route to the United States and held further discussions on certain aspects of the Middle East proposals of the President of the United States. During his previous visit to Libya from March 17–March 20, it was announced that Libya and the United States would work together for the successful application of the proposals, in recognition of the fact that the aggressive intentions of international communism offer the greatest present threat to national independence and the peace and security of the world community.

In accordance with the statement made on March 20<sup>4</sup> that the United States would provide additional economic assistance to Libya, the Government of Libya and Ambassador Richards have now completed studies of economic activities which would contribute to Libya's needs. The Ambassador has agreed in principle that the United States Government will immediately undertake the necessary procedural and legal steps to initiate projects in the following fields, among others:

1. A general survey of Libyan development needs.
2. The development of broadcasting.
3. Assistance in education, including scholarships and instructional material.
4. Further aid toward electrical power development.
5. Improvement of telecommunications.
6. Development of domestic water supplies.

#### **Tunisia Joint Communiqué**

TUNIS, TUNISIA  
May 6, 1957

Press release 272 dated May 7

At the invitation of the Government of Tunisia Ambassador James P. Richards, Special Assistant

<sup>4</sup> *Ibid.*, May 6, 1957, p. 726.

to President Eisenhower, arrived in Tunis Saturday, May 4. He had cordial talks with Prime Minister Bourguiba and members of his Cabinet on May 4 and 5.

The Prime Minister reiterated his previous endorsement of President Eisenhower's proposals for the Middle East and was pleased to have the opportunity for discussions with Ambassador Richards regarding these proposals and the need to meet the menace of international communism.

#### **Morocco Joint Communiqué**

RABAT, MOROCCO  
May 8, 1957

Press release 280 dated May 9

Ambassador Richards, Special Assistant to President Eisenhower, paid a visit to Morocco on May 6–7. He was received in audience by His Majesty the Sultan for almost an hour and had several meetings at the Foreign Ministry with the Prime Minister, the Minister of Foreign Affairs and other members of the Government.

Ambassador Richards, who was welcomed with great regard, presented a detailed exposition of the plan put forward by President Eisenhower for the Middle East as well as the objectives of the United States Government in that area.

This exposition was given the greatest attention in a spirit of mutual understanding, in view of the interest of Morocco in the strengthening of peace in the Middle East. The position of Morocco remains therefore as it was at the time of the visit of Vice President Nixon.

#### **Suez Canal Users Reserve Rights Under Convention of 1888**

*Following is the text of a communiqué issued at London on May 9 following a meeting of the Council of the Suez Canal Users Association.<sup>1</sup>*

The Council of the Suez Canal Users Association met this afternoon to continue its discussions. It was the general consensus of the member countries that the Egyptian Declaration<sup>2</sup> is insufficient and falls short of the six requirements for a settlement of the Suez Canal question, which were em-

<sup>1</sup> For background, see BULLETIN of Oct. 1, 1956, p. 503.

<sup>2</sup> For text, see *ibid.*, May 13, 1957, p. 776.

bodied in the Resolution of the Security Council of October 13, 1956.<sup>3</sup> Insofar as use of the Canal is resumed by the shipping of member states, this does not imply their acceptance of the Egyptian Declaration as a settlement of the Suez Canal question. Accordingly, member states reserve existing legal rights under the Convention of 1888 and otherwise with respect to the operation of the Suez Canal.

The delegate of France expressed a reservation to the effect that in the opinion of his government it was not possible in present circumstances to recommend the use of the Canal to member states.

The delegate of Spain expressed a reservation to the effect that it is solely within the competence of the United Nations to decide whether or not the Egyptian Declaration is consistent with the Resolution of the Security Council of October 13, 1956.

## Air Agreement With Syria Amended

Press release 266 dated May 6

The Department of State announced on May 6 the conclusion of an exchange of notes on May 5, 1957, between the American Embassy at Damascus and the Ministry of Foreign Affairs of the Government of Syria, amending the annex of the United States-Syria air transport agreement, which was signed on April 28, 1947, to enable designated U.S. and Syrian airlines to provide nonstop service on the routes specified for each country.

The amendment, which becomes effective immediately, provides for a new section 3 of the annex to read as follows:

Section 3—Intermediate points on any of the specified routes may at the option of the designated airlines be omitted on any or all flights.

Pan American World Airways is the carrier designated by the U.S. Government to operate to and through Syria on the following route specified in the 1947 agreement: The United States, through Europe and Turkey to Syria and beyond to India; via intermediate points in both directions. The agreement provides that a route to the United States to be operated by Syrian airlines may be determined at a later date.

<sup>3</sup> *Ibid.*, Oct. 22, 1956, p. 616.

## Foreign Policy and Foreign Aid

*Remarks by President Eisenhower*<sup>1</sup>

When you ask for comments on foreign policy and the operation of foreign policy, you in effect ask for a sort of marathon performance that can go on here for much longer than the time you have to spare, I am sure.

First of all, I would earnestly want to commend you for your interest in this problem. The foreign problem overshadows everything else that we have as an argument at home or what we would call one of our domestic problems. It either causes that problem or certainly colors it. Our defensive arrangements, in all of their different aspects, account for about 63 percent of our budget. So all of the economies that we would like to accomplish in our tax take and in our expenditures finally come back—if we are going to make them in very large amount—to affect this foreign policy problem that we have.

Now there are a few things that I think we should understand. A foreign policy is not difficult to state. We are for peace, first, last, and always, for very simple reasons. We know that it is only in a peaceful atmosphere—a peace with justice, one in which we can be confident—that America can prosper as we have known prosperity in the past. It is the only way that our people can, in the long run, be freed of great burdens and devote their substance to the constructive purposes that we have—in schools and hospitals and helping the development of our people in every way.

We seek that peace from a position of strength. As long as there is abroad in the world a predatory force, seeking to destroy our form of government, we are going to remain strong. It is only prudence, and as a matter of fact it is the only way to be successful. Because when you are talking to people that respect only force, you must have the ability to use force. But we recognize those constructive arrangements as negative and sterile themselves. And again, we want to get rid of that burden.

<sup>1</sup> Made before the National Council of the League of Women Voters of the United States in the rose garden at the White House on May 1 (White House press release).



Now, as we pursue peace, we have organized—there was organized some years ago—the United Nations. The United Nations is not always effective, of course, in any particular instance, because of circumstances. But it does represent, as we see it, the greatest hope that the world has for establishing finally a forum in which differing viewpoints will be brought and argued and where arrangements may be made that will be necessary, if we finally come to the point that all of us realize we must live peacefully. It can help, therefore, in bringing about peace and much more so in maintaining peace with justice, after we have some kind of workable arrangement that will allow us to reduce armaments.

When a specific problem comes up—for example, the Suez argument of last fall—no one would claim that the United Nations is necessarily the most effective instrument for deciding the particular dispute. But if any nation such as ours, powerful as it is, ignores the United Nations in trying to solve these disputes, what is going to happen to this greatest hope of all mankind for peace?

You must respect it. You must work through it so far as it is possible. But the charter itself of the United Nations does not preclude the attempt to establish, prevent, or restore peace through individual methods. As a matter of fact, the charter says in case of dispute the first efforts should be made between the contending countries themselves. You can do it also by regional and other organized efforts that do not involve the United Nations—but if the United Nations is ignored, I think we do it at our future peril.

### **The Spirit of Nationalism**

Another point that I think is important for all of us to remember: The strongest force abroad in the world today, particularly among those peoples that we call the more underdeveloped peoples, is the spirit of nationalism. This spirit is stronger than communism in these areas, and fortunately it is stronger than the spirit of any communism in all of them—in some of them, I mean. What I mean by that is this: This desire to be free, to say I am a citizen of this country or that country, to say we are independent—this is a spirit that has been growing with tremendous leaps and bounds ever since the famous pronouncement of President Wilson of the right of self-determina-

tion of small peoples. Today it is a terrific force in the world.

Now this means this: They are going to remain independent, or they believe they are going to remain independent, by whatever means they have to use. One of the things necessary to remain independent politically is to have an economic base on which that independence can be supported. Their determination to remain independent is so strong that they will get that economic help, that economic investment money, from somebody. And if we don't supply it or do our share of supplying it from the free world basis, the free world standpoint, others will.

*We* know that they will not long remain independent if they go somewhere else. But *they* don't.

It is astonishing how frequently we are compared, in the minds of a citizen of one of these countries that we call underdeveloped, to Russia in terms of—well, which is the strongest, which is correct, which is trying to take us over, which is trying to be truculent, which is trying to start the war.

*We* know we are peaceful. *We* know we are a country that is ruled by ourselves. Government only with the consent of the governed does not start wars, because it is the people that have to fight them that make the decision.

This is not true in dictatorships, but the people of other countries don't understand this. I have been asked by people very high up in some of these governments, why do I not do so and so—why do I not suppress a certain magazine—why do I not do this, that, or the other thing? My explanations—although I think very convincing—are often, to them, seemingly nothing.

A man said to me, "If you were our friend, you would do so and so." They don't understand. Therefore, they do not understand that our form of government is essentially one that is stable in preserving peace and that it is dictatorships that can undertake the reckless adventure of war.

All of these problems are the kind of things that have to be considered when we are talking about the conflicting considerations of the safety of our country and our desire to keep more of our own money at home so we can spend it for what we please and not give it to the Government to spend. And with this last desire, I must say I am earn-

estly in sympathy and I would very much like to go out of this office some day with another even bigger tax cut than we were able to put over in 1954.

### Foreign Aid Program

The other day I was riding in an airplane, and I had some friends with me. And they began to criticize our efforts in the foreign field and say they thought we could save a lot of money there. Let us remember, foreign aid doesn't have any pressure group in any Congressman's district. It is something that has to depend on the intelligence of the American people and not on selfish interest.

And they said, "You say you are trying to be economical and you are trying to save money, yet you will spend this money over here, when you won't even give a Texas drought-stricken man so much corn meal and this and that and the other thing."

"Well," I said, "this is what I am going to try to explain in simple terms. We are riding in this airplane, and let's assume we own it. We have been looking at the operational costs, and we decide we are spending too much money on it. Now we are going to save some money.

"Well, we find we have two stewards on this plane. We figure that one can do. All right, one steward fired.

"Well, we agree we won't fly it over such long trips, we don't need so much fuel capacity, and we can save money and carry a better payload by getting rid of a tank. We won't fly it in bad weather, so we will get rid of an expert navigator and make the copilot double up. And we will cut down on the furniture. We will get rid of the carpets, and so on here.

"These are all the services that we have demanded up to date, but, now that we find out how much it costs, we are ready to do without these services, but we are still dissatisfied with what we have saved."

So one bright fellow speaks up and says: "Well, let's just cut out one of the engines—we won't use so much gas." Now you are talking about foreign aid. Foreign aid is one of the engines that keeps this ship of ours afloat in the world and going on a steady course. So the rest of the passengers say: "Well, baloney—you take away that engine, then we lose one when we are out over the sea, and we have probably lost our reserves

and we are down. We are now in an emergency without the preparation to meet it."

Foreign aid, my friends, is something that is being conducted to keep the United States secure and strong. It is preventing the isolation of the United States as a prosperous, rich, powerful country. There would be isolation if the United States refused to participate in the realization by underdeveloped countries of their proper ambitions for nationalization, for national independence, and for the economic base that will support that individual independence. That's all there is to it.

In my opinion, you can't take freedom and allow freedom finally to be pushed back to the shores of the United States and maintain it in the United States. It can't be done. There's too much interdependence in the world.

Now I do not for one instant—this is getting to be a long speech, too, isn't it?—I do not for one instant maintain that every dollar put into this is wisely spent. I know there have been articles published showing where in Iran or somewhere else there were stores of supplies bought for a people and they found out later that they bought supplies for people that didn't even yet know how to use a hoe, or something like that. Of course there have been mistakes. There have been human people doing this. And sometimes they are trying to do it in a great hurry, or they were obsessed with the idea that money could buy friends and money could keep friends. Well, that is all untrue.

We can, though, with our attitude and with some investment, help these people. It is dangerous to make too close an analogy between our own experience and that of some of these countries. You must remember, when we were developing and money was being invested in our country from abroad, on a loan basis properly, we had great natural resources. Those loans practically constituted a mortgage on all those great resources. We were very low in population. We have been growing up to our resources in population ever since. We have done it under conditions that have produced the greatest prosperity any nation has known.

These other countries are already far over and beyond their capacity, in some instances, of population—without a cent. How do you collect capital in those countries to do the job that needs to



be done, to produce roads, railroads, communications—the things that allow people to pull themselves up by their bootstraps? That is what we are trying to get people to do because we believe in peace.

We believe in peace. And we believe that the more these people rule themselves, the more that the decision for world action lies in the hands of the people who have to fight wars, then there will be fewer wars. That's what we believe.

Now I come back to my first thought, and that is how delighted I am to see you people interested in these things. Unless the United States understands these simple truths which I have just so roughly touched upon this morning—unless our people understand them and are ready to push them through—then the future doesn't look nearly so bright as it should.

If the United States does understand them, then the sacrifice of money is not going to sound in their ears like the sacrifice of our sons on the battlefield. That is what we are trying to prevent.

So let's make all the savings we can in the carpets and the chairs and the extra personnel and all the rest of the things that we have been demanding, wherever we think it is safe and just and fair among ourselves to do it. But let's not throw away the engines of this ship of state.

## **United States Replies to Hungary on Postal Cancellation Stamp**

Press release 254 dated April 29

On March 8, 1957, the Hungarian Foreign Ministry, in a note handed to an officer of the American Legation in Budapest, protested against the use of a postal cancellation stamp reading "Support Your Crusade for Freedom" on United States mail reaching Hungary. The stamp, it was alleged in the Hungarian note, was "obviously intended to incite the counterrevolutionary elements defeated last November to further subversive activity." The use of the stamp, the note continued, violated article 1, section 2, of the Universal Postal Union Convention.

Subsequent to the receipt of the Hungarian protest, it was learned that the Hungarian authorities were returning to the senders all mail bearing the cancellation stamps in question.

On April 29 the American Legation in Budapest delivered a reply to the Hungarian note of protest. A copy of the operative portions of this reply follows, together with a copy of the Hungarian note of March 8, 1957.

### **U.S. Note of April 29**

The Legation of the United States of America presents its compliments to the Ministry for Foreign Affairs of the Hungarian People's Republic and has the honor to refer to the Ministry's Note No. 3/35-58/1957, in which the Ministry raised objections to the use by the United States postal authorities of the postal cancellation stamp "Support Your Crusade for Freedom" on private letters entering Hungary from the United States.

Under United States law the Postmaster General may grant permission for the use of special cancellation stamps or postmarking dies for advertising purposes where the event to be advertised is of general public interest and importance, is to endure for a definite period of time, and is not to be conducted for private gain or profit. Under this authority in recent years, cancellation stamp slogans have been used in connection with programs variously relating to the promotion of health, safety, and peace. Similarly, for the past four years, the United States Postmaster General has authorized for varying periods in a number of United States post offices the use of an identically worded cancellation stamp advertising the Crusade for Freedom. This year the stamp, which was intended solely to encourage voluntary domestic financial contributions for this privately supported organization, was used from January 1 through March 31 in certain post offices and because of the mechanical procedure followed was placed on correspondence passing through these post offices whether destined for delivery in the United States or abroad. Mail addressed to Hungary was in no instance especially singled out for stamping with this slogan and only a minute portion of the mail so stamped was in fact enroute to Hungary.

The United States was astonished to learn that, whereas the Hungarian authorities have raised no objection in previous years to similarly marked letters, they have refused this year to deliver such mail. It is indeed regrettable if the situation in Hungary is now such that a slogan in support of

freedom is viewed by Hungarian authorities as an incitement of "counterrevolutionary elements." This attitude of the Hungarian authorities would appear to imply that they regard as "counterrevolutionary elements" all those Hungarian citizens who aspire to freedom.

The United States Government cannot agree that the use of the stamp in question constituted a violation of Article 1, Section 2 of the Universal Postal Union Convention. Surely the use of a cancellation stamp advertising a private organization dedicated to the cause of freedom in no way conflicts with the development of international cooperation in the field of postal services. On the other hand, the arbitrary action taken by the Hungarian Postal Administration in returning letters so stamped has prevented in many instances normal correspondence between United States residents and their relatives and acquaintances in Hungary. The failure of the Postal Administration of Hungary to notify the Postal Service of the United States directly of its decision to prevent delivery of such letter mail is likewise inconsistent with the principle of international cooperation in postal service. Thus it would appear to the United States Government that it is in fact the Hungarian authorities who have violated the spirit of Article 1, Section 2 of the Universal Postal Union Convention, which states that the purpose of the Universal Postal Union is to assure the improvement of postal services and the promotion in that sphere of international cooperation.

#### **Hungarian Note of March 8**

The Ministry for Foreign Affairs of the Hungarian People's Republic presents its compliments to the Legation of the United States of America in Budapest and informs it of the following:

Competent Hungarian authorities have informed the Ministry for Foreign Affairs that recently postal authorities of the U. S. Government have been endeavoring to use private letters coming from the United States of America to Hungary for incitement to subversion in this country. A considerable part of these letters bears the stamp "Support Your Crusade for Freedom," which is obviously intended to incite the counterrevolutionary elements defeated last November to further subversive activity and atrocities against the people. As to what kind

of freedom crusade is meant by the pertinent U. S. authorities can be concluded from the activity of the American organization bearing a similar name which played an active role in the counterrevolutionary events in Hungary. The Government of the Hungarian People's Republic condemns this activity of the U. S. Government organs and expresses its astonishment at the fact that such steps have been resorted to by the authorities of a Government the representatives of which proclaim peaceful aspirations at international forums.

The Ministry for Foreign Affairs states that the use of postal consignments for the above-mentioned aims violates Art. /1/-2 of Chapter I of the Universal Postal Convention to which the U.S. Government is also a Party. At the same time the American Government authorities, not having learned from past experiences, through their aforesaid activity are overtly and repeatedly interfering with the internal affairs of the Hungarian People's Republic. By reasons of the facts referred to above the Hungarian Government expresses its most energetic protest and demands that the Government of the United States of America put an immediate end to the use of the inciting postmarks.

The Hungarian Government, consistently striving to improve and to make cordial its relations with the United States, sincerely hopes that the U.S. Government is led by similar intentions, and for that very reason it expects the U.S. Government to take firm measures in order to stop the ill-willed propaganda activity mentioned above.

The Ministry for Foreign Affairs of the Hungarian People's Republic avails itself of this opportunity to renew to the Legation of the United States of America the assurances of its high consideration.

## **Eightieth Anniversary of Rumanian Independence**

Press release 279 dated May 9

On May 10 Rumanians everywhere recall with pride the anniversary of the independence of their country. Although no longer celebrated by the Communist Government of Rumania as the national holiday, this date continues to be associated in the hearts and minds of the Rumanian people with the historic events by which Rumania gained independence from foreign overlords in 1877 and took its place as a sovereign state in the family of nations.

The people of the United States, who know well the invaluable quality of freedom, appreciate the feelings of the people of Rumania at this time and extend to them their warmest greetings.



## Visit of President Ngo Dinh Diem of Free Viet-Nam

*Following is the text of a joint statement released by the White House on May 11 after talks held by President Ngo Dinh Diem of the Republic of Viet-Nam and President Eisenhower during the former's visit to Washington, together with an address made by President Ngo Dinh Diem before a joint session of the Congress on May 9, greetings exchanged on his arrival at the airport on May 8, and a list of his official party.*

### JOINT STATEMENT, MAY 11

His Excellency Ngo Dinh Diem, President of the Republic of Viet-Nam, and President Eisenhower have held discussions during President Ngo Dinh Diem's state visit as the guest of President Eisenhower during May 8-10.

Their discussions have been supplemented by meetings between President Ngo Dinh Diem and his advisers and Secretary of State Dulles and other American officials. These meetings afforded the occasion for reaffirming close mutual friendship and support between the Republic of Viet-Nam and the United States. The two Presidents exchanged views on the promotion of peace and stability and the development and consolidation of freedom in Viet-Nam and in the Far East as a whole.

President Eisenhower complimented President Ngo Dinh Diem on the remarkable achievements of the Republic of Viet-Nam under the leadership of President Ngo Dinh Diem since he took office in July 1954. It was noted that in less than three years a chaotic situation resulting from years of war had been changed into one of progress and stability.

Nearly one million refugees who had fled from Communist tyranny in North Viet-Nam had been cared for and resettled in Free Viet-Nam.

Internal security had been effectively established.

A constitution had been promulgated and a national assembly elected.

Plans for agrarian reform have been launched, and a constructive program developed to meet long-range economic and social problems to promote higher living standards for the Vietnamese people.

President Ngo Dinh Diem reviewed with President Eisenhower the efforts and means of the Vietnamese Government to promote political stability and economic welfare in the Republic of Viet-Nam. President Eisenhower assured President Ngo Dinh Diem of the willingness of the United States to continue to offer effective assistance within the constitutional processes of the United States to meet these objectives.

President Eisenhower and President Ngo Dinh Diem looked forward to an end of the unhappy division of the Vietnamese people and confirmed the determination of the two Governments to work together to seek suitable means to bring about the peaceful unification of Viet-Nam in freedom in accordance with the purposes and principles of the United Nations Charter. It was noted with pleasure that the General Assembly of the United Nations by a large majority had found the Republic of Viet-Nam qualified for membership in the United Nations, which has been prevented by Soviet opposition.

President Eisenhower and President Ngo Dinh Diem noted in contrast the large build-up of Vietnamese Communist military forces in North Viet-Nam during the past two and one-half years, the harsh suppression of the revolts of the people of North Viet-Nam in seeking liberty, and their increasing hardships. While noting the apparent diminution during the last three years of Communist-inspired hostilities in Southeast Asia except in the Kingdom of Laos, President Eisenhower and President Ngo Dinh Diem expressed concern over continuing Communist subversive capabilities in this area and elsewhere. In particular, they agreed that the continued military build-up of the Chinese Communists, their refusal to renounce the use of force, and their unwilling-

ness to subscribe to standards of conduct of civilized nations constitute a continuing threat to the safety of all free nations in Asia. To counter this threat, President Ngo Dinh Diem indicated his strong desire and his efforts to seek closer cooperation with the free countries of Asia.

Noting that the Republic of Viet-Nam is covered by Article IV of the Southeast Asia Collective Defense Treaty, President Eisenhower and President Ngo Dinh Diem agreed that aggression or subversion threatening the political independence of the Republic of Viet-Nam would be considered as endangering peace and stability. The just settlement of problems of the area by peaceful and legitimate means within the framework of the United Nations Charter will continue to be the mutual concern of both Governments. Finally, President Eisenhower and President Ngo Dinh Diem expressed the desire and determination of the two Governments to cooperate closely together for freedom and independence in the world.

#### **ADDRESS BY PRESIDENT NGO DINH DIEM TO THE CONGRESS<sup>1</sup>**

Mr. President, Mr. Speaker, distinguished Members of the Congress of the United States:

It is a rare privilege for me to have this opportunity to address you today. To address you in the halls of this Congress, where there has been forged the destiny of one of the great countries of the world.

I am proud to bring to the distinguished representatives of the noble Republic of the United States the fraternal best wishes of the Vietnamese people. I bring as well the expression of their profound gratitude for the moral and material aid given by the people of the United States. My people appreciate both its great import and its profound significance.

Since the end of the last war, when Asia broke her chains, the conscience of the world has at last awakened to a profound and inevitable development—the birth of Asian independence. This realization has brought about a condemnation in the most concrete terms of the old system of exploitation which governed, in the past, the relations between East and West. In its place firm

efforts are being made to establish a new formula of international cooperation, more adapted to the real needs of the world and to the new Asian philosophy. It is the battle for independence, the growing awareness of the colonial peoples that the origin of their poverty has been the systematic withholding of technical development, coupled with the growing nationalist and social sentiment, that have combined to bring about a profound transformation in the Asian state of mind and given to its masses an irresistible dynamism.

The Asian people, long humiliated in their national aspirations, their human dignity injured, are no longer, as in the past, resigned and passive. They are impatient. They are eager to reduce their immense technical backwardness. They clamor for a rapid and immediate economic development, the only sound base for democratic political independence.

The leaders of Asia, whatever their ideologies, are all faced with the tragic urgency of the economic and social problems of their countries. Under the strong pressure of their peoples they are compelled to adopt economic planning. Such planning is bound to cause serious political repercussions. It is for this reason that the main theme of domestic political debates in Asian countries centers around the extent of planning needed, the indispensable method required to bring urgent practical results. Should everything be planned or should planning be restricted to essential sectors? Should democratic or should ruthless totalitarian methods be adopted?

It is in this debate—unfortunately influenced in many countries by the false but seductive promises of fascism and communism—that the efforts being made to safeguard liberal democracy through aid given by the industrial countries of the West play a vital role. For the honor of humanity the United States has made the most important contribution to this end.

These, gentlemen of the Congress, in outline and general summary, are some of the problems facing the countries of Asia. These are the goals to be realized and the methods proposed. These are also the internal pressures and temptations facing Asian leaders.

In the great Asian land mass Viet-Nam finds itself in the most sensitive area. Although Viet-Nam faces the same general problems of other Asian countries, because of her sensitive geopolitical position her problems are greatly intensified.

<sup>1</sup> Reprinted from *Cong. Rec.* of May 9, p. 5978.



Placed at one of the strategic points of access for the important raw materials of Southeast Asia—the possession of which is decisive in the world, held back in her development by 100 years of foreign domination, exhausted by 15 years of war and destruction, the northern half of her territory given to the Communists, Free Viet-Nam is in a more menaced and critical position than other Asian countries.

At great human sacrifice and thanks to the aid given by the generous American people, Free Viet-Nam has succeeded, in record time, to overcome the chaos brought about by war and the Geneva Accords. The national rehabilitation and stability which have been achieved have permitted the integration of over 860,000 refugees into the economy of the other 11 million people in Free Viet-Nam and have permitted the adoption of important economic and political reforms.

Nevertheless, at the time all Asia is passing from one civilization to another, at the moment when all the important problems come up at once to the leaders and seem to call for immediate solution, at a time when all must be done in a climate of increasing revolutionary tension, it has become necessary for Viet-Nam—more than for other countries—to adopt a certain number of principles, guidelines for action, not only to protect her from the totalitarian temptations but, above all, to assist her to attain independence instead of anarchy, to safeguard peace without sacrificing independence, to attain economic progress without sacrificing essential human liberties.

It was for these reasons, basing myself on fundamental sources of Asiatic culture and within our own Vietnamese democratic tradition, that I had the honor to define this doctrine in the message of the 17th of April, 1956, delivered to the National Constituent Assembly of Viet-Nam. I take the liberty of citing from it the most significant passages, for they constitute the basis of our Constitution. I quote:

In the face of the massive forces of material and political oppression which constantly menace us, we feel—more than other people—the essential need to base our political life on a solid foundation and rigorously to hasten the successive steps of our actions along lines which, without hesitation, will bring about the largest measure of democratic progress.

This can only be spiritualist—that line followed by human beings in their intimate reality as in their com-

munity life, in their vocation as in the free pursuit of intellectual, moral, and spiritual perfection.

We affirm, therefore, our faith in the absolute value of the human being, whose dignity antedates society and whose destiny is greater than time.

We affirm that the sole legitimate object of the state is to protect the fundamental rights of human beings to existence, to the free development of their intellectual, moral, and spiritual life.

We affirm that democracy is neither material happiness nor the supremacy of numbers. Democracy is essentially a permanent effort to find the right political means in order to assure to all citizens the right of free development and of maximum initiative, responsibility, and spiritual life.

We are convinced that with these guiding principles as the central theme for the development of our political institutions, Viet-Nam will be able to make its political and economic regime not a closed one but an open system, broader with each passing day until it reaches the broad dimensions of man.

Mr. President, Mr. Speaker, Gentlemen of the Congress, the Republic of Viet-Nam, the youngest republic in Asia, soon will be 2 years old. Our Republic was born among great suffering. She is courageously facing up to economic competition with the Communists, despite heavy and difficult conditions, which become daily more complex. Viet-Nam nevertheless has good reason for confidence and hope. Her people are intelligent—have imagination and courage. They also draw strength from the moral and material aid they received from the free world—particularly that given by the American people.

In the face of increased international tension and Communist pressure in Southeast Asia, I could not repeat too often how much the Vietnamese people are grateful for American aid and how much they are conscious of its importance, profound significance, and amount.

In actual fact, at any other moment of history the conflicts between peoples have never been posed in such immediate terms of civilization as they are today. It is by having made timely contributions in sufficient quantities for the rehabilitation of our economic and technical life—which permitted a higher standard of living—that the free world, under the leadership of the United States, is assuring the success of the new system of international cooperation. This action has contributed to the defense of Southeast Asia and prevented the raw materials of this area from falling into Communist hands.

Although our economy has suffered greatly from war, destruction, and colonialism, the people of Viet-Nam are now increasing their contribution to their country. A few months ago the National Assembly voted new and higher taxes to bring in needed revenues for the national budget. A national conscription ordinance was recently promulgated, and a comprehensive declaration of policy was issued 2 months ago for the purpose of encouraging foreign private investment.

It is on this high moral plane that we pay tribute to the generous and unselfish assistance we have received from the people of the United States. It is on the same plane that the interests of Viet-Nam are identical with the interests of the people of the free world. It is on this plane that your and our fight is one and the same. We too will continue to fight communism.

It is in this conviction and in the ardent and always present remembrance of the strong sympathetic comprehension with which the American people and Government have followed our efforts that I close, in thanking you once again, Mr. President, Mr. Speaker, and Gentlemen of the Congress, for the honor you have bestowed on me and for your kind attention.

#### **EXCHANGE OF GREETINGS AT AIRPORT**

White House press release dated May 8

##### **President Eisenhower:**

Mr. President, it is indeed an honor for any American to invite you to this country. You have exemplified in your corner of the world patriotism of the highest order. You have brought to your great task of organizing your country the greatest of courage, the greatest of statesmanship—qualities that have aroused our admiration and make us indeed glad to welcome you.

We hope sincerely that the talks that we shall be able to have in these next few days will do much to strengthen still further the friendship between your country and this one. You are indeed welcome, sir.

##### **President Ngo Dinh Diem:**

Mr. President, this is a great joy for me to be again in Washington and a great honor to be welcomed by you. I thank you very much for your

kind words about me. But it is mostly the courage of the Vietnamese people, your own faith in my country, and unselfish American aid which has accomplished a miracle at Viet-Nam.

The history of these last 30 months is a shining example of what faith, determination, and solidarity can do to uphold and strengthen freedom in the world.

#### **MEMBERS OF OFFICIAL PARTY**

The Department of State announced on May 3 (press release 262) the members of the official party for the visit of President Ngo Dinh Diem to Washington, May 8–11. They are as follows:

Ngo Dinh Diem, President of the Republic of Viet-Nam  
Tran Van Chuong, Ambassador of Viet-Nam to the United States

Nguyen Huu Chau, Secretary of State for Interior and to the Presidency

Tran Le Quang, Secretary of State for Public Works and Communications

General Tran Van Don, Chief of Staff of General Staff, Acting Senior Aide-de-Camp

Huynh Van Diem, Director General of Planning

Vu Van Thai, Administrator General of Foreign Aid

Vo Van Hai, President's Chief Private Secretary and Acting Protocol Officer

Ton That Thien, Chief of President's Press and Information Service and Interpreter

Wiley T. Buchanan, Jr., Chief of Protocol, Department of State

Elbridge Durbrow, American Ambassador to the Republic of Viet-Nam

Rear Adm. D. L. MacDonald, USN, American Aide to the President of the Republic of Viet-Nam

Victor Purse, Deputy Chief of Protocol, Department of State

Stuart P. Lillico, Press Officer, Department of State

#### **U. S. Air Force Missile Unit To Be Stationed on Taiwan**

*The following announcement was released jointly at Taipei on May 7 by the American Embassy and the Foreign Office of the Government of the Republic of China.*

The United States and the Republic of China in 1954 entered into a mutual defense agreement.<sup>1</sup> In conjunction with measures already taken by the

<sup>1</sup>For text, see BULLETIN of Dec. 13, 1954, p. 899.



United States to strengthen the defenses of Taiwan and thereby of the Western Pacific, the United States and the Republic of China have agreed to the future stationing on Taiwan of a U.S. Air Force unit, equipped with tactical missiles, Matador.

As is the case elsewhere in the world, including

NATO countries, this action is taken wholly for the defensive purpose of deterring and if necessary repelling attack.

For many months the Chinese Communists have been threatening the use of force in the Taiwan area and greatly developing their mainland offensive capabilities opposite Taiwan.

## The Element of Faith in the Conduct of Foreign Affairs

*by Roy R. Rubottom, Jr.*

*Acting Assistant Secretary for Inter-American Affairs*<sup>1</sup>

In the great issue which faces our country today—the challenge of godless materialistic communism—the most potent resource we possess is our faith. This must be nurtured and strengthened—faith in ourselves, faith in our own Government, faith in our friends and allies. Much of the strength which we are able to muster to meet the Communist challenge comes from the fact that in certain areas of our foreign relations we are able to, and do, act on a basis of faith. An area in which this is true, and on which I want to talk to you tonight, is in our relations with the 20 Republics of Latin America.

The relationship which exists within this inter-American community has been characterized as being one of “good neighbors” and, more recently, as “good partners.” Both of these expressions are appropriate, but, to me at least, they do not fully describe our unique and intimate relationship. Neighborliness there certainly is in the warmth of our friendships and in the sharing of our problems and their solution in the best interest of all concerned. Partnership is likewise a fact in our relationship, for we are all convinced that in contributing to the economic and general well-being of each other we contribute to our own strength. But over and above this neighborliness

and partnership there has developed a spiritual kinship which distinguishes this from ordinary relationships.

This kinship is built on good faith. I like to think of it in terms of the relationship which must have grown up among pilgrims in ancient times who journeyed together in a band toward some holy shrine. They were intent upon reaching a common goal, of great significance to each individually, by a common means or road which each had individually chosen for that purpose. They were confronted with common perils, which they could best confront by joining together for mutual protection and succor. Of varying degrees of wealth, of different size and age and background, each still retained his individuality or sovereignty, but they pressed on united by their common objective, which was essentially spiritual. All of these things are as true of the 21 American Republics as they were of this hypothetical band of pilgrims.

This unique relationship, spiritual as well as practical, is not something which came into being overnight by some miraculous means; it is the conception of many of our great leaders, something which has been striven for since the early part of the last century when the states of Latin America liberated themselves and joined us in American freedom. Our own success in achieving independence and setting up for our-

<sup>1</sup> Address made before the Yale Political Union, Yale University, New Haven, Conn., on May 7 (press release 270).

selves a representative government provided the inspiration and model for their independence movements.

While this concept of an inter-American community may be traced back to our early history, its development has been neither easy nor automatic. Many factors worked to frustrate early efforts to unite us, largely distance and difficult geography, which are now being overcome. Later some countries, including our own, adopted policies which temporarily made impossible the development of this community. It is only in the past 25 years, and particularly in the past decade, that those factors which tended to separate the American Republics began to disappear. The progress in that period has been so great that Secretary Dulles said 2 years ago: <sup>2</sup>

This great inter-American system, which was first a vision and a dream and then an expression of faith, has become in our own time the most solid international organization of free peoples on earth. It is the family tree of America—its multiple roots deep in our common New World history—its 21 branches each a proud, independent nation, its rich fruits beneficial to all mankind. After more than a century and a quarter, Bolivar's prophetic declaration that in the freedom of the Americas lies the hope of the world has lost neither veridity nor immediacy.

It is not surprising that this past decade has also been the one in which the American Republics have made their greatest gains in the achievement of international peace and economic progress.

#### **Effectiveness of Inter-American System**

I would like now to review some of the concrete accomplishments of our 21 Republics in our joint endeavors during this period.

In recent years the effectiveness of the inter-American system in the maintenance of peace has been particularly outstanding. The likelihood of serious armed conflict between countries of this hemisphere has become extremely unlikely because of this system of international relations which we now enjoy. How was this accomplished?

First, over a period of years our countries have developed a set of principles which govern their relations with each other, placing these relations on a firm and mutually accepted basis of law and morality. These principles derive their strength,

perhaps equally, from their basic simplicity and their universal acceptance within the inter-American community. The most fundamental of these principles are:

—The recognition of the sovereign equality of states,

—The duty to settle disputes by peaceful means,

—The doctrine of nonintervention; that is, that no state shall have a right to interfere in the internal affairs of another.

These principles, which have during the past generation been so frequently and effectively expressed by leading figures throughout the hemisphere, have become universally accepted by our peoples. Their effectiveness as guidelines for our relationships within the American community urges us to maintain and further develop them for the future and to encourage their extension to other areas of the world.

Of these principles there is one which many people in the United States, and also in Latin America, are just beginning to comprehend. That is the doctrine of nonintervention. Perhaps it is because they feel such a close kinship to their neighbors that they feel they should tell them how to run their domestic affairs. The homely, but truthful, maxim to be drawn from that situation is the one we recurrently find in the comic strip—there is nothing more certain to bring together the battling husband and wife than the well-intentioned neighbor who steps in piously to settle everything. For a period the United States took upon itself the role of such a neighbor. We not only reaped animosity of the wives and husbands but of the entire neighborhood, who, furthermore, found a number of things in our own household to find fault with.

Assuredly, there is ample opportunity for any individual in the United States to express his opinions and to offer constructive suggestions with regard to current situations in the Americas. In fact, this is healthful. Our Latin American friends are just as prone to air their views on such United States subjects as segregation, labor racketeering, or the size of our budget. But I do feel that none of us should expect our governments to play the part of the well-intentioned neighbor in the comic strip.

Not a great many years ago the United States assumed the self-appointed role of policeman in parts of this hemisphere. The ill will which was

<sup>2</sup> BULLETIN of May 2, 1955, p. 729.



generated by this unhappy course of action among the people of Latin America is only now disappearing. Today, in the Organization of American States, we have the police power vested where it should be, that is, in all of the 21 Republics which make up that organization. Maintenance of the peace in the Americas is now a joint responsibility. The multilateral machinery for carrying out this responsibility was created, and agreed to, in the Inter-American Treaty of Reciprocal Assistance signed at Rio de Janeiro.

### **Maintaining the Peace**

Since the Rio Treaty came into force in 1949, there have been four occasions in which it has been applied in order to deal with threats or acts of aggression involving American states. In each instance the American governments, acting through the Organization of American States, demonstrated their readiness to do what was necessary to maintain the peace. In so acting the governments were supported by public opinion, which was aroused throughout the continent, and in each case peace has been maintained or restored *without any resort to force or sanctions*. Further than that, some of the countries between which serious conflicts arose have been helped to achieve new eras of cordiality and friendship as a result of the intervention of the Organization of American States.

This is a timely subject. Right now an OAS fact-finding committee is in Central America to investigate the Honduras-Nicaragua dispute which has threatened the peace between those countries.<sup>3</sup> When the Rio Treaty was invoked last Wednesday [May 1], the OAS Council met at once and by Friday noon the well-oiled peace machinery was functioning. The committee, composed of representatives of Panama, Mexico, Argentina, Bolivia, and the United States, was at the scene—in Tegucigalpa on Saturday, in Managua on Sunday. Reports indicate that the fighting has been stopped. This is indicative of both the speed and effectiveness with which the OAS is prepared to act in a situation threatening the peace of the hemisphere. Its value in an emergency such as this would be difficult to exaggerate.

The action of the OAS is a concrete example of the importance of faith in the reestablishment of peaceful relations between two neighboring re-

publics. The OAS committee which is investigating the disputes is not empowered to enforce any decisions which it may make, yet such is the prestige of the organization, and the confidence which its members have in it, that it was quickly able to arrange a cease-fire. It can be hoped that this will provide the time and the atmosphere necessary for the development of a long-term solution to the problem. Our Government, as a member of the OAS, stands ready to support the constructive efforts of the OAS to resolve this controversy.

It is significant that peace in the Americas is not one imposed by a superior power. It is a peace based on the expressed will of the people and the consequent self-restraint of governments. This peace is, in fact, more than a passive absence of armed conflict—it is a dynamic force. It is faith at work.

For instance, the regional mutual defense organization formalized in the Rio Treaty of 1947 served as the prototype for NATO and other mutual defense arrangements which have been created more recently within the framework of the United Nations. Two features which are fundamental in the Rio Treaty are those relating to collective self-defense and common action in the event of armed attack, and to the steps to be taken when faced with situations which threaten the peace and security of the American states but that fall short of an armed attack. The framework of many collective defense treaties which free nations have created since 1947 is based on these two features. Even the structure of the United Nations organization benefited from the experience of the American Republics in the development of our community organization.

A noteworthy step in the development of hemisphere security was taken at the Tenth Conference of American States in Caracas in 1954. While the doctrine that there should be no further European colonization or the extension of any despotic political system to the American Hemisphere had been accepted by all of us, the Caracas Declaration<sup>4</sup> gave this truth a further historic application. It was recognized that, if international communism should gain control of the political institutions of any one American state, it would

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<sup>4</sup> For text of "Declaration of Solidarity for the Preservation of the Political Integrity of the American States against International Communist Intervention," see *ibid.*, Apr. 26, 1954, p. 638.

<sup>3</sup> *Ibid.*, May 20, 1957, p. 811.

be a threat to the security of us all and would call for joint action. This mutual determination not to compromise with communism, this mutual recognition that an extension of Communist colonialism to our hemisphere would imperil the peace of the Americas, heartened the people of Guatemala to recover their lost freedom from the Communists then dominating their Government.

An example of the inventiveness and imagination which the Organization of American States brought to bear on the problem of maintaining peace in the hemisphere occurred in 1955. On January 11 of that year the Government of Costa Rica informed the Council of the Organization of American States that its territory had been invaded by forces based in Nicaragua. At the request of Costa Rica, the Council of the Organization of American States met immediately. It invoked the provisions of the Rio Treaty and as a first step sent an investigating committee to the scene. This committee, composed of representatives of the United States, Mexico, Brazil, Paraguay, and Ecuador, was named at 9 p.m. By 6 a.m. the following morning they were airborne. The following day this OAS investigating committee took what was a historic decision. In view of the circumstances it found, it set up for the first time an international aerial patrol under the supervision of an OAS body for the purpose of making peaceful observations over the region affected by the conflict. Four American nations participated in this operation under the aegis of the OAS.<sup>5</sup>

Not only was this use of peaceful observation flights under the supervision of the investigation committee a new development in inter-American peace machinery—it anticipated the whole “open skies” concept of the use of aircraft to control potential belligerent operations.

#### **Committee of Presidential Representatives**

Last summer, when he met with the other American Presidents in Panama, President Eisenhower made a new proposal designed to strengthen what he called “the most successfully sustained adventure in international community living that the world has ever seen”—that is, the Organization of American States.<sup>6</sup> At this meeting of Presi-

dents there was ready acceptance of his proposal that each President appoint a special personal representative to meet together and prepare concrete recommendations for making the Organization of American States a more effective instrument in those fields of cooperative effort that affect the welfare of the individual. Following preliminary meetings held last September and in January of this year, this Inter-American Committee of Presidential Representatives is now in Washington completing their recommendations for the expansion of the activities of the OAS in the economic, financial, social, and technical fields. Based on the success of the OAS in the solution of political problems, it can be expected that these expanded activities in the economic and related fields will have an impact on the solution of the problem confronting all of our peoples as individuals—how to provide a more prosperous, healthful, and rewarding life for themselves and their families.

Much yet remains to be done in this respect in our hemisphere. It is therefore fortunate that Latin America—to deal with that part of the area outside the United States and Canada—constitutes one of the most rapidly progressing regions of the world. Population is increasing there more rapidly than in any other of the world's major regions. For the first time since the colonial period, the population of Latin America in 1950 exceeded that of the United States. A continuation of the expected increase there will mean that by the year 2000 Latin America will have a population double that of the United States and Canada combined.

This growth demands a tremendous increase in the production of goods and services merely to maintain the area's existing standard of living. It is encouraging to find that Latin America is not, however, merely standing still. Actually, taking the area as a whole, the average annual increase of gross national product, in real terms, has been 5.5 percent since the end of World War II. This may be compared favorably with the rate for Western Europe or the United States. Looked at in its true perspective, far from being an “underdeveloped” area, as some have suggested, Latin America comprises an economic frontier where today the world's most dramatic economic development is going on.

<sup>5</sup> For an address by Henry F. Holland on “OAS Action in the Costa Rican Conflict,” see *ibid.*, Jan. 31, 1955, p. 178.

<sup>6</sup> *Ibid.*, Aug. 6, 1956, p. 219.



This, however, in no way justifies any sense of complacency. Future progress in Latin America will have to be achieved at the same price as its past notable development—hard, resourceful work, self-discipline, and a willingness to grapple with difficult problems. In this task, we can expect our neighbors to continue to depend basically on the enterprise of the individual to create from their resources the wealth needed for this growth. The building of the future of this great continent, as big a task as it is, is not too big for the private enterprise of the 350 million people who inhabit it. The role of governments, as we have long since learned, should be to provide conditions under which the responsible individual citizen can achieve his full God-given potential.

The people of the United States are making an important contribution to the economic development of Latin America. They have private direct investments there totaling over \$7 billion and are increasing this investment at the rate of \$500 million per year. This is of great mutual benefit. Earnings on these investments are rewarding to the investors, but, further, they also provide 600,000 Latin American employees with a billion-dollar annual payroll, they pay over a billion dollars in local taxes, and they produced goods and services valued at \$4.8 billion in 1955 and made a net contribution to the Latin American economies in that year of \$3.5 billion.

This contribution made by our private citizens to their economies is complemented by our Government, through Export-Import Bank loans, which in the past 4 years totaled \$1.1 billion for Latin America, by our technical assistance programs, by emergency grant aid in three instances, and by the sale of surplus agricultural commodities for local currencies.

I have discussed, or outlined, a number of aspects of these relationships which go to make of the inter-American community the closely knit

organization it is today. My purpose has been to underscore the reasons why the element of faith is so essential in the conduct of our international relations with these neighbors, these partners, these fellow pilgrims. That this element pervades our relation with our Latin American neighbors is perhaps the reason why the headlines of our newspapers seldom are concerned with these relationships. This apparent lack of editorial concern can be, and has been, misconstrued as lack of sympathy or disinterest. I am convinced that it is neither. It is rather that in the world of today, in which crises occur on an almost hourly basis, we in the Americas live in such an intimate and peaceful relationship as to seldom call for sensational news treatment.

The people of the United States have reason to have faith in their friends, their allies, their fellow Americans with whom we share this New World of ours, as they—our Latin American friends and allies—are entitled to have faith in us. United in this faith, we peoples of the Americas have an obligation to work together with others in bringing to the rest of the world the peace, justice, material well-being, and spiritual progress such as we enjoy in this hemisphere.

## **United States Recognizes New Government of Haiti**

Press release 274 dated May 7

The United States Embassy at Port-au-Prince on May 7 informed the Executive Council of Government of Haiti that the United States Government has recognized the new Government of Haiti.

Gerald A. Drew was sworn in as United States Ambassador to Haiti on May 6. He plans to arrive in Port-au-Prince on May 9.

## Widening Horizons for Women in Latin America

by C. Allan Stewart

*Deputy Director, Office of Middle American Affairs*<sup>1</sup>

Everybody knows the heroic story of the pioneer women in this hemisphere. The patterns of that epic of the frontier and the settlement were pretty much alike throughout the New World, in Latin America as well as in the English colonies. There was, of course, one essential difference: Spanish women came here a full century and a quarter before any English woman set foot on American soil. In fact, as you may remember, Ponce de León, who sailed with Columbus on his second voyage in 1493 and, in due course of time, himself sailed from Puerto Rico to discover Florida, married the daughter of another one of those Spanish colonizers.

However, while we are all familiar with stories of how fully women participated in the groundbreaking and the homemaking, it is not so generally known that, from the very beginning, women have contributed significant leadership as well. An Indian princess, Anacaona, on the West Indian island of Hispaniola, was one of the first to further friendship between conquistadores and Indians. She befriended Columbus and his companions and helped greatly in establishing the Spanish settlement. It is true that she was ultimately betrayed and slain, but after four centuries her memory endures as a woman who contributed toward laying bases of understanding and cooperation, as Pocahontas was to do generations later in Virginia. Another Indian girl, the wise and lovely Marina, was guide and companion to Cortés in the conquest of Mexico and interpreted for him not only the speech but the culture and psychology of her people.

It is even more surprising to reflect that in the difficult period of colonization four women in Latin America ruled as governors, a post of great difficulty and danger. They were Isabel, the wife of Hernando de Soto, whom he left in Cuba as acting governor when he set out on his last expedition; Catalina Montejó, who governed in Yucatán after her father's death; Beatriz, the wife of Alvarado, Conquistador of Guatemala, who assumed the governorship when her husband was slain in battle; and Brites de Albuquerque, who in the 16th century governed Nova Lusitania, one of the most important provinces of Brazil. In the 17th century two remarkable women poets wrote in and of the Americas—Anne Bradstreet in Massachusetts, whose work is too often dismissed too summarily, and Sor Juana Inés de la Cruz in Mexico, the first great lyric voice of America to be heard overseas and still one of the great lyric poets of world literature.

In that tradition, we should recall also Gabriela Mistral, the Chilean poet and Nobel Prize winner, whose recent death was mourned around the world.

### Latin American Women in Public Affairs

One of the most striking features of present-day Latin American life is the increasing participation of women in public affairs. At the present time women are empowered to vote in elections and themselves to be candidates for office in every American Republic except one—Paraguay. In Haiti, while full voting privileges for women are authorized, women will have their first opportunity of casting their votes for president in the next elections.

<sup>1</sup> Address made before the Miami Women's Club, Miami, Fla., on Apr. 16.



Up to the present, no American Republic has had a woman president, but several have had women cabinet ministers. Now holding that rank are Señora Cecilia de Remón, Minister of Labor, Social Work, and Health of Panama, and Señora Josefina Valencia de Hubach, Minister of Education of Colombia. There are also distinguished women ambassadors, including at present Señora Amalia de Castillo Ledón, Ambassador of Mexico to Sweden, and Señorita Minerva Bernardino, Ambassador of the Dominican Republic to the United Nations. There are many women on the Latin American delegations to the U. N. One of them, Señorita Uldarica Mañes of Cuba, is now sitting on the Security Council in representation of her country.

Several of the American Republics have had women members in congress for a number of years past. Latin American women also take an active part in municipal affairs. There are many women mayors. In fact, I understand that, so far as is known, the first woman ever to hold the office of mayor anywhere was in Chile in the 19th century.

Three weeks ago a very festive event occurred in the Chilean capital, when Señora Maria Teresa del Canto, Mayor of Santiago, gave a sisterly embrace of welcome to Señora Felisa Rincón de Gautier, Mayor of San Juan, Puerto Rico. The Mayor of San Juan, whom I am happy to call my friend and who is probably known to many of those here present because of her frequent visits to Florida, is on a good-will tour of South America. She may be said to represent, as does the Commonwealth of Puerto Rico itself, a combination of Hispanic and Anglo-Saxon traditions and influence. The result is dynamic—and attractive. Very fittingly, at Panamá last year Doña Felisa presided over the Inter-American Municipal Congress, an association of mayors and city officers from throughout the hemisphere. In this connection let me interject an interesting statistic: Puerto Rico has 9 women mayors; in our 48 States there are 50.

### **Progress in Education**

No discussion of women in contemporary Latin America would be complete without some consideration of their progress in the field of education. Here again, it may surprise you—at least it surprised me—to hear that a Latin American institution of higher learning, the University of Chile,

was the first university in the world to open its doors to women students. At the present time, as I am informed from the Inter-American Commission of Women headquarters at the Pan American Union, no university in Latin America denies women the right to enroll. There is in fact an increasing enrollment of women in higher professional studies, including such unexpected courses as engineering.

The governments of the other American Republics are also demonstrating an intensified interest in the whole subject of vocational education for women. It may be said that this parallels a forceful campaign, of hemisphere proportions, in favor of equal pay for equal work. Several countries have women as university deans, among them Panama, El Salvador, and, again, Chile.

### **Inter-American Commission of Women**

You are probably aware, to some extent at least, of the work of the Inter-American Commission of Women, to which I referred a few moments ago. This Commission, created by the Sixth Conference of American States at Habana in 1928, is a specialized agency of the Organization of American States. Its purpose is to advise the OAS on matters affecting the status of women in the American Republics and to submit reports and recommendations to the Conference of American States, which meets regularly every 5 years. (The 11th such conference will meet at Quito, Ecuador, next year.) The Commission also studies problems affecting women throughout the hemisphere, advises the member governments on proposed legislation affecting women, and seeks repeal of discriminatory legislation.

The 21 members of the Inter-American Commission of Women represent the 21 American Republics, and each is appointed by her own Government. The Commission holds a regular annual meeting and occasionally has additional meetings. One of these latter is a Conference on the Economic Status of Working Women in the Americas, scheduled to be held at Mexico City, April 20 to May 1. In addition to the members of the Inter-American Commission of Women itself, this conference will include technicians and directors of women's labor offices in the several countries and representatives of the International Labor Office and of the Inter-American Economic and Social Council of the Organization of Amer-

ican States. The agenda items include expanding and improving opportunities for women in trade, small industries, and cooperatives; social legislation for working women in domestic service as well as in salaried occupations; and the education of women for remunerative employment.

The regular annual meeting of the Inter-American Commission of Women, its 12th Assembly, will be held at the Pan American Union Building in Washington, D. C., in June. The 11th Assembly met last year in Ciudad Trujillo, capital of the Dominican Republic.<sup>2</sup> At each of these yearly assemblies, the Commission confines itself to two major fields of interest. Last year these were political and civil rights for women, including problems in the field of family and property law. At the forthcoming meeting at the Pan American Union the two primary topics will be education and economic opportunities.

There can be no doubt that the continuous work of the Inter-American Commission of Women during the past 29 years has been an influential contributing factor in the enlargement of opportunities for women educationally, professionally, and economically and no less, undoubtedly, has helped greatly in obtaining suffrage for women voters. It is also true that the brightening picture in these respects is not due to any one cause alone but is part of the overall hemisphere picture of widening horizons of progress and opportunity. Women in all our countries are making their own contributions, as private citizens as well as members of organizations, and certainly in nonofficial as well as official capacities.

#### Exchange Program

Our own Department of State is well aware of the influence and significance of women in making

inter-American policies effective. One proof of this is the fact that a group of six Latin American women who are leaders in their several countries and respective fields are visiting the United States as guests of our Government. Their 5 weeks' tour will include Washington, Chapel Hill, Atlanta, Memphis, Phoenix and Flagstaff, San Francisco, Denver, Flint, and New York City.

The visitors will confer with women whose interests and activities are similar to their own. They will also observe the work of organizations and of individual citizens in our community and national life, especially the programs and community service of organizations, the development of leadership, training for volunteer services, the cooperation of organizations with one another, and citizen education programs. It may also be taken for granted that the visit of this group of distinguished Latin American women will afford all who come in contact with them a wealth of information about the status of women in Latin America, their work, and their admirable accomplishment.

It occurs to me that you might like to know the special interests of these six visitors. They are Miss Hilda Macedo, Chief of Women's Police and Professor of Law and Criminology at the University of São Paulo, Brazil; Miss María Edilia Valero Herrera, editor of the magazine *Ecos de América* and executive secretary of the *Hogar Americano*, of Venezuela; Miss María Esther Talamantes, president of the Mexican branch of the International Federation of Women Lawyers, of Mexico; Mrs. Leticia Antezana de Alberdí, president of the National Council, Women's Catholic Action, of Bolivia; Dr. Anita Arroyo González, columnist of the Habana daily *Diario de la Marina* and Assistant Professor of Literature at the University of Habana, Cuba; and Mrs. Celeste Samayoa de Espada, president of the Altrusa Club of Guatemala and free-lance writer, of Guatemala.

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<sup>2</sup> For a report on the 11th Assembly by Mrs. Frances M. Lee, U.S. Representative on the Commission and U.S. delegate to the Assembly, see BULLETIN of Oct. 8, 1956, p. 562.



## The Common Market and the GATT

*Statement by Carl D. Corse  
Chief, Trade Agreements and Treaties Division*<sup>1</sup>

The treaty creating the European Economic Community is one of the most important subjects ever considered in the history of this body. The large attendance at this meeting is a measure of its significance.

The movement toward European integration, of which the treaty in question is the latest manifestation, is one of the striking developments of our time. The creation of a large continental market in Europe, characterized by a high degree of competition and mobility of resources, can contribute to the dynamic growth, prosperity, and long-term economic health of Europe. Such progress would permit this major trading area to play an increasingly active role in the elimination of trade barriers and the continuing movement toward worldwide multilateral trade and convertibility of currencies.

It is these considerations which in part have motivated the support which the United States has given to the movement for the economic integration of Western Europe. We believe that this movement is consistent with these objectives of the general agreement and the expansion of multilateral world trade. Indeed, we are convinced that in order to achieve its own objectives the proposed common market must pursue this same goal. For continental Western Europe, one of the world's great trading areas, has a major stake in the preservation and improvement of the worldwide trading system.

<sup>1</sup> Made before the Intersessional Committee of the General Agreement on Tariffs and Trade at Geneva, Switzerland, on Apr. 25. Mr. Corse was U.S. Delegate to the Intersessional Committee. This meeting, attended by representatives of 31 of the 35 governments that are Contracting Parties to the GATT, was held to discuss procedures for a forthcoming GATT review of the European Common Market Treaty, which has been signed, subject to ratification, by Belgium, France, the Federal Republic of Germany, Italy, Luxembourg, and the Netherlands.

The Contracting Parties had these considerations in mind when they recognized that the contribution which a genuine customs union would make to world trade and economic progress justified a derogation in its favor from article I of the general agreement.<sup>2</sup> At the same time they established in article XXIV certain tests by which to judge if a particular set of arrangements were in fact likely to produce a genuine customs union. One of our major purposes in considering the Common Market Treaty will be to judge if the proposed arrangements meet these tests.

In considering the relationship of this treaty to the general agreement, it is important, however, to avoid a narrow or legalistic approach, which in our view would serve neither the particular interests of the Six and of the other Contracting Parties, on the one hand, nor our common interest in the healthy functioning of the general agreement on the other. While the GATT review will be directly concerned with a decision on certain trade provisions of the treaty, it will be helpful to have in mind that the treaty involves a system going far beyond a simple customs union, since it provides for a far-reaching merger of economic interests and policy in a new entity—an economic community. The Six are thus undertaking among themselves a complex series of interrelated obligations in the interest of greater economic progress and well-being. Furthermore, the proposed union is unprecedented in its size and importance with the result that the potential repercussions for all the Contracting Parties are especially great. In the process of the general-agreement review it is reasonable to consider the probable effect of the treaty in concrete and practical terms on the trade of the Contracting Parties. We should seek in this way an adjustment of interests to the benefit of the Contracting Parties as a whole.

As you are well aware, the treaty we are con-

<sup>2</sup> Article I provides that all Contracting Parties shall accord most-favored-nation treatment to all other Contracting Parties.

sidering is a formidable document, and we in the United States have so far been able to give it only preliminary study. From this study we believe that the treaty, in its broad lines, is in conformity with the spirit and purposes of the general agreement. It provides for the elimination of all tariffs, quantitative restrictions, and analogous barriers within a defined period; it provides a "plan and schedule" for such elimination; it covers "substantially all" trade among the member countries. In these respects, it appears to meet the major tests in article XXIV of the general agreement.

There are, however, certain areas which, on the basis of our preliminary study, appear to give cause for concern. A few of these arise directly from the text of the treaty itself. More of them derive from provisions whose meaning is not fully clear to us. In any case, a great deal will undoubtedly depend on the spirit and manner in which the treaty is administered. I do not want to go into great detail on these points at this time, but I would like to mention a few to which we have given some attention.

One problem of major concern to all the Contracting Parties will be the level of the common external tariff. A judgment as to its conformity with the standards of article XXIV must await a study of the rates of this tariff when it has been completed and laid before the Contracting Parties; we believe this must be well in advance of the end of the first stage of the transitional period when the first changes in external tariffs are scheduled to take place. It is difficult to see how the Contracting Parties could endorse any mathematical formula in this connection; a proper judgment should depend on an item-by-item evaluation of the impact of the new common tariff. Because of the time this will require, as well as the need for negotiations concerning bound rates under article XXIV, paragraph 6, it is our earnest hope the members of the proposed community will make available a suggested common tariff as soon as possible.

An area of particular interest to us is that comprising the agricultural provisions of the treaty. We believe the provision in the treaty for the development of a common agricultural policy could promote the development over the longer term of sound agriculture in the area. What is done under

this heading will clearly have an important effect on the fulfillment of the objectives of the treaty as well as on the trade interests of many Contracting Parties. We are, however, concerned about a transitional system of long-term agreements and minimum prices. Such a system could set an unfortunate pattern for future trade in agricultural goods. It is essential that it be administered with due regard for the interests of third countries; otherwise it could do serious damage to the trading interests of other Contracting Parties. The provisions in the Common Market Treaty on this subject raise a number of questions in this connection on which clarification will be required.

We are also not very certain as to the meaning of the provisions of the treaty concerning quantitative restrictions maintained for balance-of-payments reasons. Here, too, clarification will be necessary on a number of points.

The implications of the provisions of the treaty concerning overseas territories are among the most difficult to determine. While we are sympathetic with the general purposes of the six countries in respect to contributing to the development of these areas, the specific provisions concerning trade raise questions in relation to the impact on the trade of many Contracting Parties.

This is not an exhaustive list of the concerns we may have with particular provisions of the treaty. All these questions will have to be considered in our general review. In this connection we note with interest and appreciation the recognition by the member states that their obligations under pre-existing international conventions are not affected by the treaty. We are confident that this body, which has already in the past proved its value to the trading nations of the world, will again show its worth as a framework in which solutions to these and other problems can be found in the interests of all.

The procedures on which we agree for further consideration of the common market should be such as to safeguard the interests of both non-members and members of the proposed community and contribute to the strength of the multi-lateral trading system. These procedures should provide an opportunity for the Contracting Parties to become thoroughly informed on all aspects of the problem in order that they may be dealt with constructively.



## Developments in Hungary October 1956–February 1957

U.S./U.N. press release 2669 dated May 2

*Henry Cabot Lodge, the Permanent Representative of the United States to the United Nations, transmitted on May 2 to the Secretary-General of the United Nations, Dag Hammarskjöld, a report<sup>1</sup> of developments in Hungary from October 23, 1956, to February 20, 1957, as observed by or reported to representatives of the U.S. Government. The report was prepared as a factual account of developments in Hungary during that period and is being sent to the Special U.N. Committee on the Problem of Hungary<sup>2</sup> in accordance with the Secretary-General's request to governments of January 28, 1957. Following is the text of Mr. Lodge's letter:*

Pursuant to the request of the Special Committee on the Problem of Hungary, transmitted by your note PO 210 of January 28, 1957, I have the honor to transmit herewith on instructions from the United States Government ten copies of a report on developments in Hungary from October 23, 1956 to February 20, 1957, as observed by or reported to representatives of the United States Government. The report was prepared as a factual account of developments in Hungary during that period. From the developments described in detail in the report, the United States Government draws the following conclusions:

(1) The Hungarian Revolution, which occurred on October 23–24, 1956, was a revolution, by definition. The population rose and attempted to change the government by force. The term “counter-revolution,” used by the present rulers of Hungary, has no true meaning in fact, and may be considered purely a propaganda slogan. The only intelligible definition of the term is “a revolution against a revolution.” But there was no revolution in Hungary immediately prior to October 23, 1956; in fact, there had been none for many years. Neither the events following the invasion of Hungary in 1945, nor the acquisition of power by the Hungarian Workers’ (Communist) Party in 1948, fit the accepted definition of the word revolution inasmuch as the post-World War II political system was subverted by Soviet agents with the support of the Soviet Army.

<sup>1</sup> Not released.

<sup>2</sup> For background, see BULLETIN of Jan. 28, 1957, p. 138.

(2) Within less than twenty-four hours after the outbreak of the Hungarian Revolution, the prerevolutionary regime was reduced to a position where it did not have the power, with the resources at its own disposal, to maintain itself; and the revolutionary masses did have the power to overcome any resistance that could be offered by the so-called government or its agencies. This is attested to by numerous impartial observers then in Budapest, and it is further demonstrated by the fact that within a few hours the “government” requested aid from the Soviet Army.

(3) From October 25 to approximately November 10, the situation can most accurately be described as war rather than revolution. The methods used by Soviet forces and their Hungarian collaborators to crush the resistance of the Hungarian people were those used in war. They included direct military action, with attendant slaughter and physical destruction, mass arrests, deportations of Hungarian citizens to the U.S.S.R., and elaborate efforts to deceive the Hungarians and the world by fraudulent “negotiations.” Numerous witnesses have confirmed the use of all these methods. During this period, except for a brief interval of some three or four days between October 31 and November 3, almost continuous military action took place. This military action involved conflict between the armed forces of one nation—in overwhelming superiority potentially during the entire period, and actually from November 4 on—and the people of another nation, people poorly armed and organized, but effectively united against the enemy.

(4) There is no doubt that the Hungarian people were effectively united. Only a very small percentage of the Hungarian population supported the Soviet armed forces and these were primarily Government and Party personalities and political police units. Many observers who had first-hand knowledge of developments have testified to this fact.

(5) The effective unity of the Hungarian people was further reflected in the action taken by the Soviet Union in Hungary. The most convincing proof of Hungarian unity, and of the strength and fervor of the aspiration for freedom on the part of a unified people, was that a powerful, mechanized foreign army was required to crush the resistance of a poorly armed and poorly organized population of a small country. If such

force had not been considered necessary, it would not have been used. Further evidence of the strength and breadth of national resistance is to be found in the length of time required to crush the resistance. That steady fighting persisted in Budapest for some two weeks, after November 4 against impossible odds, is adequate proof. When a people is prepared to die by thousands in a practically hopeless cause, their sacrifice cannot be explained away as a superficial phenomenon carried out by a minority of "reactionary elements" and "foreign interventionists." With the heaviest damage from Soviet artillery inflicted on workers' districts, the "laboring class" can scarcely be said to have supported the invaders. Moreover, the strength and depth of popular resentment against Soviet domination are demonstrated by the fact that nearly 200,000 Hungarians have fled to an unknown life abroad rather than remain in a Hungary under Soviet domination.

(6) It is clear what the Hungarian people wanted. They wanted freedom to choose their own government and freedom from the presence of foreign troops and foreign agents. They also wanted satisfaction of those other related demands which appeared over and over again in printed appeals of student and worker groups, which were broadcast over free radios, and repeated to representatives of friendly foreign missions and the foreign press. To judge by the popular demands and by the popular support given to the workers' council movement, a national, democratic, multi-party government resting on popular elections, somewhat similar to Western European democracy but more socialist in character and neutral in international politics, appears to be what the people were willing to die for. No evidence exists that more than a minute and entirely inconsequential number of individuals had any desire to restore the political and social structure of pre-World War II Hungary.

(7) The Soviet intervention was an outright military attack, opposed by the Hungarian people. Such an attack was unnecessary to "preserve order"—in fact, during the brief interval when Soviet troops evacuated Budapest at the end of October, order was being restored with surprising rapidity. There was no active fighting on any appreciable scale when Soviet troops were not in Budapest. The Soviet contention that there was an organized "white terror" is another propaganda device. Isolated acts of reprisal against Hungarian police and other officials who, in serving as agents of a foreign power, had practiced acts of sadistic cruelty against their own people are understandable in the circumstances.

(8) The Soviet intervention was imperialist by definition, for a national opposition movement was crushed by foreign armed force and a puppet government installed which represented the interests of the alien occupying power rather than those of the people. The appeal for Soviet troop intervention, allegedly under the "terms of the Warsaw Pact," was sheer subterfuge. This so-called appeal was made by individuals whose policies and personalities were at that moment being repudiated by the Hungarian people, individuals who, since they had come to power through subversion and force, did not represent the Hungarian people.

(9) The present Hungarian regime has no popular support. This is evident from the fact that its policies have been in direct opposition to what the Hungarian people expressed as their major objectives during the revolt. Moreover, the present regime was installed by and continues to exist and to function solely because of the continued presence of Soviet armed forces.

These are conclusions that emerge from the United States Government's report. They prove that Soviet Communism is not only undemocratic, but oppressive and cruel. They prove further that the methods it used to suppress Hungarian independence were monstrous in the extreme.



## TREATY INFORMATION

### Protocol With Japan Supplementing Income Tax Convention

S. Exec. K, 85th Cong., 1st sess.

#### President's Transmittal Message

THE WHITE HOUSE, April 29, 1957.

*To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the protocol between the United States and Japan, signed at Tokyo on March 23, 1957, supplementing the convention of April 16, 1954,<sup>1</sup> for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

I transmit also, for the information of the Senate, the report by the Secretary of State with respect to the protocol.

DWIGHT D. EISENHOWER.

(Enclosures: (1) Report by the Secretary of State; (2) supplementary income-tax protocol with Japan, signed March 23, 1957.)

#### Report of the Secretary of State

DEPARTMENT OF STATE,  
Washington, April 18, 1957.

The PRESIDENT,

*The White House:*

The undersigned, the Secretary of State, has the honor to submit to the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if the President approve thereof, the protocol between the United States and Japan, signed at Tokyo on March 23, 1957, supplementing the convention of April 16, 1954, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

As in the case of the income-tax convention of 1954 (S. Ex. D, 83d Cong., 2d sess.; Treaties and Other International Acts Series 3176, 6 U. S. T.

149), the supplementary protocol was formulated as a result of technical discussions between officials of this Government and officials of the Government of Japan. The Department of State and the Department of the Treasury cooperated in the negotiation of the supplementary protocol. It has the approval of both Departments.

The protocol has a single substantive article of two paragraphs. It is provided in paragraph (1) that the Export-Import Bank of Japan shall be exempt from United States tax with respect to interest on loans or investments received by such bank from sources within the United States. It is provided reciprocally in paragraph (2) that the Export-Import Bank of Washington shall be exempt from Japanese tax with respect to interest on loans or investments received by such bank from sources within Japan.

The Department of the Treasury, in recommending that the protocol be signed and transmitted to the Senate for advice and consent to ratification, submitted a memorandum presenting pertinent background information. That memorandum reads as follows:

The Japanese Government has created an Export-Import Bank of Japan to promote the purchase of Japanese goods which is patterned after the Export-Import Bank of Washington. Under the existing Federal income-tax law, the Export-Import Bank of Japan, although wholly owned by the Japanese Government, is subject to tax on any income that it may derive from sources within the United States. Under the income-tax law of Japan, the Export-Import Bank of Washington is exempt from tax, but only on the basis of reciprocity. Accordingly, the failure of the United States to grant exemption to the Japanese bank threatens to interfere with the functioning of the Export-Import Bank of Washington. The imposition of a Japanese tax on the interest it derives from Japanese borrowers would either diminish the yield to the Export-Import Bank on its loans to the buyers of American products, or it would increase the interest cost of such foreign borrowers. Either result would reduce the effectiveness of the Export-Import Bank of Washington in achieving the objectives for which it was created. The proposed protocol to the existing income-tax convention between Japan and the United States is designed to remedy this situation by providing that each country shall grant tax exemption to the Export-Import Bank of the other country.

It is understood that no loans have been made by the Export-Import Bank of Japan to United States importers of Japanese goods and, hence, adoption of the proposed agreement would not have any adverse effect on United States revenues. On the other hand, substantial purchases by Japanese firms from United States producers

<sup>1</sup> BULLETIN of May 3, 1954, p. 692.

have been held in abeyance because of the absence of reciprocal tax exemption on the interest earnings of the two banks.

Article II of the protocol provides that the protocol shall enter into force on the date on which the two Governments exchange written notifications of ratification or approval thereof, and shall be effective with respect to interest received on and after January 1 of the calendar year in which the protocol enters into force. It is provided further that the protocol shall continue in force as long as the aforesaid convention of April 16, 1954, remains effective unless the protocol is terminated earlier by a 6 months' written notice of termination given by either Government to the other Government.

Respectfully submitted.

JOHN FOSTER DULLES.

(Enclosure: Supplementary income-tax protocol with Japan, signed March 23, 1957.)

#### **Protocol Supplementing the Convention Between the United States of America and Japan for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion With Respect to Taxes on Income**

The Government of the United States of America and the Government of Japan,

Desiring to conclude a Protocol supplementing the Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income signed at Washington, on April 16, 1954,

Have accordingly appointed their respective representatives for this purpose, who have agreed as follows:

#### **I**

(1) The Export-Import Bank of Japan shall be exempt from tax by the United States with respect to interest on loans or investments received by such Bank from sources within the United States.

(2) The Export-Import Bank of Washington shall be exempt from tax by Japan with respect to interest on loans or investments received by such Bank from sources within Japan.

#### **II**

(1) The present Protocol shall enter into force on the date of an exchange between the two Governments of written notifications of ratification or approval thereof, and shall be effective with respect to interest received on and after the first day of January of the calendar year in which it enters into force.

(2) The present Protocol shall continue in force as long as the aforesaid Convention of April 16, 1954 remains effective, unless it is terminated earlier by a six months' written notice of termination given by either Government to the other Government.

DONE in duplicate, in the English and Japanese languages, at Tokyo this twenty-third day of March, 1957.

For the Government of the  
United States of America:  
DOUGLAS MACARTHUR II

For the Government  
of Japan:  
NOBUSUKE KISHI

## **Current Actions**

### **MULTILATERAL**

#### **Postal Services**

Universal postal convention, with final protocol, annex, regulations of execution, and provisions regarding air mail and final protocol thereto. Signed at Brussels July 11, 1952. Entered into force July 1, 1953. TIAS 2800.

*Ratification deposited:* Nicaragua, March 28, 1957.

#### **Sugar**

International sugar agreement. Done at London under date of October 1, 1953. Entered into force May 5, 1954. TIAS 3177.

*Accession deposited:* Panama, March 1, 1957.

#### **Trade and Commerce**

International convention to facilitate the importation of commercial samples and advertising material. Dated at Geneva November 7, 1952. Entered into force November 20, 1955.<sup>1</sup>

*Accession deposited:* New Zealand, April 19, 1957 (applicable to the Cook Islands (including Niue), the Tokelau Islands, and the Trust Territory of Western Samoa).

#### **Weather**

Convention of the World Meteorological Organization. Done at Washington October 11, 1947. Entered into force March 23, 1950. TIAS 2052.

*Ratification deposited:* Chile, May 9, 1957.

*Accession deposited:* Ghana, May 6, 1957.

### **BILATERAL**

#### **Colombia**

Agreement supplementing the agricultural commodities agreements of June 23 and December 20, 1955 (TIAS 3262 and 3448). Effected by exchange of notes at Bogotá April 16, 1957. Entered into force April 16, 1957.

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454, 455; 69 Stat. 44, 721), and memorandum of understanding. Signed at Bogotá April 16, 1957. Entered into force April 16, 1957.

#### **Luxembourg**

Agreement amending annex B of the mutual defense assistance agreement of January 27, 1950 (TIAS 2014). Effected by exchange of notes at Luxembourg April 15 and 25, 1957. Entered into force April 25, 1957.

#### **Peru**

Agreement amending the Army mission agreement of Sep-

<sup>1</sup> Not in force for the United States.



tember 6, 1956 (TIAS 3636). Effected by exchange of notes at Lima April 8 and 24, 1957. Entered into force April 24, 1957.

## Syria

Agreement amending the air transport agreement of April 28, 1947 (TIAS 3285). Effected by exchange of notes at Damascus October 22, 1956, and April 30, 1957. Entered into force April 30, 1957.

## DEPARTMENT AND FOREIGN SERVICE

## Confirmations

The Senate on May 8 confirmed Charles E. Bohlen to be Ambassador to the Philippines. (For biographic details, see press release 169 dated March 22.)

The Senate on May 9 confirmed Scott McLeod to be Ambassador to Ireland. (For biographic details, see press release 199 dated April 9.)

The Senate on May 9 confirmed Henry J. Taylor to be Ambassador to Switzerland. (For biographic details, see press release 211 dated April 12.)

## Resignations

Robert D. Coe as Ambassador to Denmark, effective May 6.

## Designations

John H. Burns as Executive Director, Bureau of European Affairs, effective May 15.

## PUBLICATIONS

## Recent Releases

*For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.*

**UNESCO: The First Nine Years—A Report of the Fifth National Conference of the U.S. National Commission for the United Nations Educational, Scientific and Cultural Organization.** Pub. 6463. International Organization and Conference Series IV, UNESCO 37. 87 pp. Limited distribution.

A report of the Fifth National Conference of the U.S. National Commission for UNESCO, held in Cincinnati, Ohio, on November 3-5, 1955.

**A Case History of Communist Penetration—Guatemala.** Pub. 6465. Inter-American Series 52. xi, 73 pp. 30¢.

A report on the attempt of international communism to get a foothold in the Western Hemisphere by gaining control of the political institutions of Guatemala.

**The International Atomic Energy Agency.** Pub. 6477. International Organization and Conference Series I, 33. 12 pp. 15¢.

A pamphlet containing information on the establishment and activities of the International Atomic Energy Agency.

**Mutual Defense Assistance.** TIAS A-3648. 3 pp. 5¢.

Agreement between the United States of America and Norway, amending annex C of agreement of January 27, 1950, as amended. Exchange of notes—Dated at Oslo November 15 and 23, 1955. Entered into force November 23, 1955.

**International Wheat Agreement, 1956.** TIAS 3709. 117 pp. 50¢.

Agreement between the United States of America and other governments. Formulated at the United Nations Wheat Conference April 25, 1956—Open for signature at Washington through May 18, 1956.

**Guaranty of Private Investments.** TIAS 3715. 5 pp. 5¢.

Agreement between the United States of America and Luxembourg. Exchange of notes—Signed at Luxembourg November 26 and December 7, 1956. Entered into force December 7, 1956.

**Defense of Iceland Pursuant to North Atlantic Treaty.** TIAS 3716. 5 pp. 5¢.

Agreement between the United States of America and Iceland. Exchanges of notes—Signed at Reykjavik December 6, 1956. Entered into force December 6, 1956.

**German External Debts.** TIAS 3717. 5 pp. 5¢.

Agreement between the United States of America and other governments, amending administrative agreement of December 1, 1954—Signed at Bonn November 30, 1956. Entered into force November 30, 1956.

**Surplus Agricultural Commodities.** TIAS 3718. 4 pp. 5¢.

Agreement between the United States of America and China, amending article I, paragraph 1, of agreement of August 14, 1956. Exchange of notes—Signed at Taipei October 5 and 12, 1956. Entered into force October 12, 1956.

**Air Transport Services.** TIAS 3719. 2 pp. 5¢.

Agreement between the United States of America and the United Kingdom of Great Britain and Northern Ireland, amending agreement of February 11, 1946, as amended. Exchange of notes—Signed at Washington December 2 and 28, 1956. Entered into force December 28, 1956.

**United States Navy Medical Research Center at Taipei, Taiwan.** TIAS 3720. 7 pp. 10¢.

Agreement between the United States of America and China, amending agreement of October 14, 1955. Exchange of notes—Signed at Taipei December 27, 1956. Entered into force December 27, 1956.

**Defense—Offshore Procurement Program.** TIAS 3721. 3 pp. 5¢.

Agreement between the United States of America and Spain, amending agreement of July 30, 1954, as amended. Exchange of notes—Signed at Madrid December 21 and 27, 1956. Entered into force December 27, 1956.

**Surplus Agricultural Commodities.** TIAS 3722. 3 pp. 5¢.

Agreement between the United States of America and Thailand, amending agreement of June 21, 1955. Exchange of notes—Signed at Bangkok December 14, 1956. Entered into force December 14, 1956.

**Special Economic Assistance.** TIAS 3723. 6 pp. 5¢.

Agreement between the United States of America and Jordan. Signed at Amman June 17, 1954. Entered into force June 17, 1954.

**Special Economic Assistance.** TIAS 3724. 2 pp. 5¢.

Agreement between the United States of America and Jordan, amending agreement of June 17, 1954. Signed at Amman March 17, 1956. Entered into force March 17, 1956.

**Surplus Agricultural Commodities.** TIAS 3725. 21 pp. 15¢.

Agreement, with memorandum of understanding, and exchanges of notes between the United States of America and Brazil—Signed at Washington December 31, 1956. Entered into force December 31, 1956.

**Technical Cooperation—Jordan Program.** TIAS 3726. 2 pp. 5¢.

Agreement between the United States of America and Jordan, amending agreement of February 12, 1952, as amended. Signed at Amman December 7, 1954. Entered into force December 7, 1954.

**Bahamas Long Range Proving Ground—Civil Air Services Within the Bahamas, Turks, and Caicos Islands and Jamaica.** TIAS 3727. 5 pp. 5¢.

Agreement between the United States of America and the United Kingdom of Great Britain and Northern Ireland. Exchange of notes—Signed at Washington December 6, 1956, and January 4, 1957. Entered into force January 4, 1957.

**Air Force Mission to Haiti.** TIAS 3728. 3 pp. 5¢.

Agreement between the United States of America and Haiti, extending agreement of January 4, 1949, as extended. Exchange of notes—Signed at Washington December 3, 1956, and January 7, 1957. Entered into force January 7, 1957; operative retroactively January 4, 1957.

**Financial Arrangements for Furnishing Certain Supplies and Services to Naval Vessels.** TIAS 3729. 4 pp. 5¢.

Agreement between the United States of America and Australia. Exchange of notes—Signed at Canberra December 19 and 31, 1956. Entered into force January 26, 1957.

**Mutual Defense Assistance—Disposition of Equipment and Materials.** TIAS 3730. 5 pp. 5¢.

Arrangement between the United States of America and Chile. Exchange of notes—Signed at Santiago November 30 and December 28, 1956. Entered into force December 28, 1956.

**Mutual Defense Assistance—Loan of Vessels to Brazil.** TIAS 3731. 5 pp. 5¢.

Agreement between the United States of America and Brazil. Exchange of notes—Signed at Washington January 12 and 16, 1957. Entered into force January 16, 1957.

**Defense—Maintenance of Haines-Fairbanks Pipeline.** TIAS 3732. 3 pp. 5¢.

Agreement between the United States of America and Canada. Exchange of notes—Signed at Ottawa January 16 and 17, 1957. Entered into force January 17, 1957.

**Surplus Agricultural Commodities.** TIAS 3733. 2 pp. 5¢.

Agreement between the United States of America and the Republic of Korea, amending agreement of March 13, 1956. Exchange of notes—Signed at Seoul January 7, 1957. Entered into force January 7, 1957; operative retroactively March 13, 1956.

**Air Force Mission to Chile.** TIAS 3734. 3 pp. 5¢.

Agreement between the United States of America and Chile, extending agreement of February 15, 1951, as amended and extended. Exchange of notes—Signed at Washington December 28, 1956, and January 17, 1957. Entered into force January 17, 1957.

**Surplus Agricultural Commodities.** TIAS 3735. 2 pp. 5¢.

Agreement between the United States of America and Yugoslavia, amending agreement of November 3, 1956. Exchange of notes—Signed at Washington January 23 and 24, 1957. Entered into force January 24, 1957.

**Certificates of Airworthiness for Imported Aircraft.** TIAS 3736. 8 pp. 10¢.

Agreement between the United States of America and France. Exchange of notes—Signed at Paris August 6 and December 14, 1956. Entered into force December 14, 1956.

**United States Educational Commission in Turkey.** TIAS 3737. 5 pp. 5¢.

Agreement between the United States of America and Turkey, modifying agreement of December 27, 1949. Exchange of notes—Signed at Ankara January 8, 1957. Entered into force January 8, 1957.

**Atomic Energy—Cooperation for Civil Uses.** TIAS 3738. 22 pp. 15¢.

Agreement between the United States of America and Belgium, amending agreement of June 15, 1955. Signed at Washington July 12, 1956. Entered into force January 18, 1957.

**Whaling—Amendments to the Schedule to the International Whaling Convention signed at Washington on December 2, 1946.** TIAS 3739. 2 pp. 5¢.

Adopted at the eighth meeting of the International Whaling Commission, London, July 16–20, 1956. Entered into force November 1, 1956.

**United States Educational Foundation in Thailand.** TIAS 3740. 4 pp. 5¢.

Agreement between the United States of America and Thailand, amending agreement of July 1, 1950, as amended. Exchange of notes—Signed at Bangkok January 21, 1957. Entered into force January 21, 1957.

**Surplus Agricultural Commodities.** TIAS 3741. 2 pp. 5¢.

Agreement between the United States of America and Greece, supplementing agreement of August 8, 1956. Signed at Athens January 21, 1957. Entered into force January 21, 1957.

**Surplus Agricultural Commodities.** TIAS 3742. 5 pp. 5¢.

Agreement between the United States of America and the Republic of Korea. Exchange of notes—Signed at Washington January 30, 1957. Entered into force January 30, 1957.

**Defense—Establishment of Guided Missile Station on Island of Fernando de Noronha.** TIAS 3744. 4 pp. 5¢.

Agreement between the United States of America and Brazil. Exchange of notes—Signed at Rio de Janeiro January 21, 1957. Entered into force January 21, 1957.



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\*Not printed.

†Held for a later issue of the BULLETIN.



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# The International Atomic Energy Agency

On December 8, 1953, before the General Assembly of the United Nations, President Dwight D. Eisenhower proposed that a world organization be formed to promote the peaceful uses of nuclear energy. This proposal received an almost unanimous favorable response from all parts of the world.

On September 20, 1956, representatives of 81 nations—the largest number ever to meet for an international conference— assembled at U.N. headquarters in New York. Seventy of these nations, on October 26, signed the statute of the International Atomic Energy Agency, an organization dedicated to the promotion of the peaceful uses of the atom. Ten more have since signed.

As soon as 18 nations (including at least 3 of the principal atomic powers) have ratified the statute in accordance with their constitutional procedures, the agency will come into being.

*The International Atomic Energy Agency*, a 12-page pamphlet, describes the background of the agency, what it will do, its financial provisions, safeguards against diversion of assistance to military use, and protection of health and safety. The "Vocabulary of Atomic Energy" that prefaces the pamphlet defines some of the important terms in the atomic energy field.

Copies of this publication may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C., for 15 cents each.

Publication 6477

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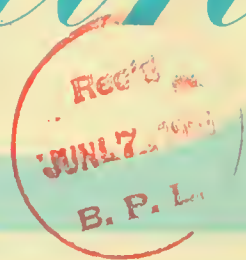
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# Bulletin



Vol. XXXVI, No. 936

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THE DEPARTMENT OF STATE

# Bulletin

VOL. XXXVI, No. 936 • PUBLICATION 6499

June 3, 1957

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*The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.*

*Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.*

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Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 19, 1955).

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# National Security and the Cost of Waging Peace

**EXCERPT FROM THE REPORT BY PRESIDENT EISENHOWER TO THE AMERICAN PEOPLE  
ON THE COST OF THEIR GOVERNMENT<sup>1</sup>**

Turn with me now to the largest item in the budget—the defense of our country. There is where most of your tax dollars go.

As we survey the world in which we live, the first great concern of all of us is to make sure of the defense of our homes, our country, and our way of life. The Communists have again and again announced their purpose of promoting revolution and of communizing the world by whatever means. It is important, and surely prudent, for us to understand the military strength the Communists maintain to help them achieve their purposes.

Now what is that strength today?

Without counting the Chinese Communists, the Soviets have the world's largest army. They have many times the number of submarines that Germany had when World War II began. They have atomic weapons and rockets and missiles. They have a large and growing air strength. They are competent in military technology and research. And all this is directed by a despotism which is fully capable of the supreme folly—that of unleashing these powerful forces if it should ever believe that it could, without destroying itself, succeed in destroying the free world.

One important purpose of our military arrangements is to convince others that, if they start a general conflict, they cannot escape their own destruction.

As I have said, the national defense item is by far the largest in our budget, but let us see just how large it is. The estimate just for our own military forces and our atomic development,

together with a small amount for stockpiling critical and strategic materials, is almost \$41 billion. This does not, by any means, equal the full amount first recommended by our uniformed services. They wanted some \$10 billion more.

But I earnestly believe that this defense budget represents, in today's world, the proper dividing line between national danger on the one hand and excessive expenditure on the other. If it is materially cut, I believe the country would be taking a needless gamble. For myself, I have seen unwise military cuts before. I have more than once seen their terrible consequences. I am determined to do all I can to see that we do not follow that foolhardy road again.

Even after World War II had illustrated again the dangers of unpreparedness, our Armed Forces became so starved and depleted that by 1950 we had to withdraw our military strength from South Korea. That area was then declared to be outside our defense perimeter. The tragic results of that woeful weakness are too close to us to need recounting now to the families of America. But I say to you that I shall never agree to any program of false economy that would permit us to incur again that kind of risk to our country and to the lives of our citizens.

## **Rising Costs of Defense**

Good defense is not cheap defense.

The B-36 bomber, even though built after World War II, is already outmoded. Each one cost us about \$3½ million. Today's B-52 jet bomber costs \$8 million each.

Seven years ago, a fighter plane cost \$300,000. Today, one costs \$1½ million.

A submarine now costs twice as much as it did 7 years ago.

<sup>1</sup>Delivered to the Nation over radio and television on May 14 (White House press release).

Atomic energy costs four times as much as it did in 1950. Daily, munitions grow more complex, more powerful, and more costly.

It is clear that, unless we make some progress in our persistent efforts to secure an effective agreement to limit armaments, defense costs will tend to go up year by year, if we are to keep Communist forces from outstripping us. Consequently, though our first responsibility is to maintain defenses adequate to keep the Nation secure, we do not want, because of this cost, more military force than is necessary.

Judgments on the defense budget must reflect the stern fact that real military power can rest only on a sound economy. Only with a strong and thriving economy can we have the strength to protect our freedom. But since we maintain military forces as a matter of self-preservation, we must not recklessly reduce their power.

This dilemma presents hard decisions. But they are decisions that must be made by the President, as he presents his recommendations to the Congress. To this kind of problem I have devoted most of my life. I repeat my earnest belief that the estimate in the budget for our military forces, atomic energy, and stockpiling—amounting to about \$41 billion—represents a defense program which is as nearly accurate, in present circumstances, as is humanly possible to make it.

To this defense total should properly be added—and will so be in the future—that part of our mutual security program which supplies arms and defense support to friendly countries in order to strengthen the military power of the free world. Expenditures for this purpose will amount next year to something over \$3 billion.

The costs in many of these friendly countries are low compared to ours; so this type of aid, even though moderate in amount, supplements their own efforts very effectively. This aid helps arm and maintain overseas:

- some five times as many active ground forces as the United States possesses;
- about twice as many naval combat ships;
- and about an equal number of planes.

This aid is also a key factor in maintaining many of our vital military, naval, and air bases abroad.

Without the military strength that this aid helps sustain overseas, we should have to add

many more billions to our own defense spending and have less security for our total effort.

Defense expenditures, for our own forces and our military assistance overseas, together with the domestic expenditures I have discussed, account for almost all—in fact, 98 percent—of the budget.

### **A Moderate Sum for Waging Peace**

As we look at the whole range of the budget, there is only one hope of making the really great savings that we all want so much. That hope is to achieve an effective disarmament agreement with an easing of world tensions, so that the enormous sums we have to spend for our defense can be drastically reduced.

The savings we can hope to make in domestic programs are, at best, small by comparison. Of course, we could save material amounts if, by law, we abandoned or drastically cut back some of the larger programs. But in a world knowing real peace, we could save at least ten times as much in defense spending. It is to hasten that day, as well as to enhance our security now, that the budget provides a moderate sum for waging peace.

This is a mission that military formations cannot, of themselves, accomplish. The entire free-world military force merely puts a policeman on the corner to keep the robber out of our house and out of our neighborhood. It preserves from destruction what we already have.

But our Communist antagonists are resourceful and cunning. Their aggression is not limited to the use of force or the threat of its use. They are doing their best to take advantage of poverty and need in the developing nations and so turn them against the free world. Success would enable them to win their long-sought goal of Communist encirclement of our country.

To meet the total threat we, first of all—as I have pointed out—must sustain our defense preparations.

But we must do more.

We must wage peace aggressively through diplomatic efforts, through the economic and technical assistance part of the mutual security program, and through worldwide information activities to help bind the free world more firmly together. These efforts will cost about \$1 billion next year.

We wage peace on the diplomatic front through the efforts of the State Department to establish



close ties with every other nation that values its independence and that recognizes the dignity of man.

We wage peace through the efforts of the United States Information Service to counteract the false propaganda spread by the Communists. We tell the truth about freedom and the rights of man and seek to win adherents to these concepts.

We wage peace through the mutual security program in another way. We help some nations in developing their own economies, so their people can be stronger partners in the defense of the free world against communism.

Economic development is, of course, not a product for export from the United States or anywhere else. It is a homespun product, the product of a people's own work. Our opportunity is simply this: to help the peoples of these developing lands to help themselves. This we can do through sound technical assistance and, where necessary and unavailable from other sources, through loans and, at times, other kinds of financial aid. Within prudent limits, this practice is in their and our best interests.

On this subject I hope to talk with you again next week, but I assure you now that this billion-dollar item is one of the most important to all of us in the entire budget.

### **The Most Important Job in the World**

I know that in these efforts to wage peace all does not always go well. Weaknesses there are bound to be—troubles and disappointments as well.

But I never ordered a cease-fire in a battle because some of the ammunition misfired or went bad, or some commander—including myself—may have made a mistake. We must always do better, but we must never stop in our battle for peace. We must keep everlastingly at this job—today the most important job in this entire world.

Our defense expenditures are to assure us the

opportunity to wage peace; our expenditures for diplomatic work, economic and technical assistance, and information services give us the means to wage peace. Together they cost \$45 billion—all but about a billion dollars of this for defense.

The rising costs of defense items account for more than 80 percent of the increase in next year's budget. These facts simply reflect the kind of world in which we are living.

The plain truth is that the price of peace is high.

That explains why taxes are high and why their further reduction has been delayed. It explains also why really big cuts in government spending depend on success in our efforts to wage peace.

The sacrifices demanded of each of us are great; but they are sacrifices of dollars for a peaceful world, not the sacrifices of our sons, our families, our homes, and our cities to our own shortsightedness.

I believe that you are more secure in your homes tonight because of the effort and money our Nation has put into these defense and related security programs. It is almost 4 years since an American fighting man has been killed in battle anywhere. Crises, great and small, we have had and will continue to have. Despite them, there has been an overall improvement in the prospects for keeping an honorable peace.

But I must say this to you: I can see no immediate relaxation of international tensions to provide the basis now for substantial reductions in these programs for preserving and waging peace. In fact, the gains we have already made impel us to press forward with no letup.

If we do press forward—if we courageously bear these burdens of waging peace—I have every hope that in God's good time success will crown our efforts. Then we shall know an easier and a better peace whose fruits will include a lightening of the spiritual and the material burdens we now must bear in order to gain it.

# The International Atomic Energy Agency

## STATEMENT BY SECRETARY DULLES<sup>1</sup>

Three and one-half years ago, on December 8, 1953, President Eisenhower made his plea for "atoms for peace."<sup>2</sup> Addressing the General Assembly of the United Nations the President proposed a "way by which the miraculous inventiveness of man shall not be dedicated to his death, but consecrated to his life." To this end, he proposed the creation of an international agency for pooling nuclear material and technology to advance the peaceful uses of atomic energy.

His proposal was a new attack on the problem of the atom. In 1946, when the United States had the atomic monopoly, we made the first effort to bring the atom under control. The Baruch plan would have stopped the output of nuclear weapons by putting all nuclear energy under international control. It was designed to safeguard the peoples of the world against the holocaust of atomic war. For 7 years the Soviet Union had blocked any progress along this line by its refusal to accept atomic inspection and control. No way had been found to break the impasse. In this depressed climate the President's proposal for an atomic agency for peaceful purposes came as an inspiring concept. It was acclaimed throughout the world.

In the period since the proposal was made, the need for such an agency has become even more manifest. Great progress has been made in using atomic energy for generating electric power. No longer is this an experiment. Atomic power plants are a future certainty. Some are already being built. The demand for energy is growing by leaps and bounds. More and more, men's minds are turning to the use of the atom as a source of energy.

At the same time people are becoming more aware of some of the dangers inherent in this

progress. When power is produced by nuclear energy, I understand that the process in current practice produces weapons-quality material which could find its way into war arsenals in the absence of atomic controls and inspection. And such production also creates waste products which could imperil health and safety. Today the need is even more imperative for protection against the inevitable byproducts of the atomic age.

The statute of the International Atomic Energy Agency<sup>3</sup> is designed to fill this need. Its origin is the proposal of the President. In working out the statute, some 80 nations took part. They represent every stage of economic development, every shade of political attitude, and every variety of national culture. Despite the need to reconcile these varied interests, the statute has kept intact every element of the President's proposal without sacrifice of substance or principle.

The fact that so many countries should have unanimously approved the text of the statute at the conference in New York last fall is a tribute to the soundness of the concept. At first the Soviet Union was negative to these proposals. But in the face of the world's manifest desire, the Soviet Union has now shown readiness to participate in the agency. It even tries to compete with us for leadership in this effort.

In conceiving and negotiating this treaty, the United States is faithful to its great tradition of resourcefully identifying its own self-interest with the interest and welfare of all mankind.

I turn now to the more concrete aspects of the matter.

### Advantages of the Agency

What advantage does this agency offer to the United States and to other nations?

*First*, the agency will accelerate the peaceful

<sup>3</sup> For text, see *ibid.*, Nov. 19, 1956, p. S20.

<sup>1</sup> Made before the Senate Foreign Relations Committee on May 10 (press release 282).

<sup>2</sup> BULLETIN of Dec. 21, 1953, p. S47.



development of the atom. The history of atomic energy makes clear that many men from many nations have contributed to the stage we have now reached. A forum such as the agency for the exchange of discovery and invention among all nations should result in a dramatic speeding up in this peaceful atomic development.

*Second*, the agency will provide an effective system of safeguards to insure the development of atomic energy with security.

We must realize that atomic energy materials and know-how will spread, agency or no agency.

A spread of nuclear technology and facilities is to our interest. But a rapid and unsupervised development of nuclear power around the world raises the specter of nuclear weapons ultimately becoming quite generally the byproducts of nuclear power plants. An effective safeguard system must be established if this is to be prevented. These power plants are going to be built. It is just a question of whether their spread around the world will or will not be supervised in the common interest.

No one nation can alone indefinitely police the spread of nuclear power plants. In our bilateral agreements we now provide for safeguards, including inspection by our own nationals to assure against improper use of nuclear material. But this is a short-term solution. Sovereign nations would accept an international system of broad applicability. But they will not long be content to have their electric power systems under continuous supervision by technicians merely serving another nation. So if we want long-term and safe foreign markets for our nuclear materials and technology, we need an international system of safeguards to assure that our exports do not breed military dangers.

The safeguard system contained in this treaty is the same as the American system of safeguards, the system now contained in our bilateral agreements. No compromise of any substance was made in regard to safeguards during the treaty negotiations. In fact the system contained in the final treaty is more comprehensive than that contained in early drafts of the treaty.

This treaty will give the American system of safeguards a world standing. With some reason we can hope that the American system will become universally accepted. In any event it will be mandatory for all countries in projects receiving agency support.

*Third*, there is the problem of health and safety. We know that atomic energy involves risks and dangers if improperly handled. An international code to protect the health and safety of those increasing numbers of people who work with atomic energy or live in the environs of nuclear establishments can best be established and supervised by this agency.

*Fourth*, the agency will afford a way of pooling inadequate manpower resources which otherwise could be a limiting factor in the peaceful uses of the atom. Technical personnel is in short supply. A purely bilateral approach would be a severe drain on United States skilled manpower. The agency can be an instrument both for using this present supply in the most effective way and of increasing the supply by coordinating training of new technicians and scientists.

*Fifth*, the agency can help in moving toward control of nuclear weapons. We have tried for many years to reach agreement on this difficult subject. The sticking point has always been the issue of controls. In the agency, for the first time in history, the overwhelming majority of the nations have agreed on a far-reaching system of controls and safeguards. We hope that it will demonstrate the feasibility of controls in a way that will have a constructive impact on negotiations for the regulation and reduction of armaments.

*Sixth*, the openness which this system will promote can be important in preventing the spread of nuclear weapons, which could seriously impede arms control. It is quite conceivable that nations might themselves develop atomic weapons merely because of suspicion, unjustified in fact, that neighbors were doing so. Under this treaty development of the peaceful atom would take place in the open, subject to international scrutiny. Thus, nations will feel less impelled to develop nuclear weapons out of fear of the unknown.

*Finally*, international cooperation in a new field comparable in importance to the industrial revolution can have an effect which will spread far beyond itself. We are all aware of the difficulties and obstacles to reaching agreement with the Soviet Union on any matter. But this agency provides a beginning of cooperation which could have a favorable impact on the climate of international relations. The splitting of the atom might conceivably lead to a unifying of the now divided world.

## Obligations of the United States

The obligations which the United States would undertake as a member of the International Atomic Energy Agency, under its statute, are neither numerous nor heavy.

1. The statute does not contemplate that the agency shall become a give-away organization. The countries who receive materials and other atomic needs from it are required to pay a price that will permit the agency to reimburse the supplier. As for suppliers, the amount of anything they make available—materials, services, or equipment—is entirely up to them. The agency has no power to call upon any member to become a supplier but may only induce it to by offering satisfactory terms.

2. The United States would be obligated to pay its share of the *administrative* expenses of the agency. Other expenses are to be met out of other revenues of the agency.

To give you an idea of what this might mean for the United States, the administrative expenses of the agency for its first year of operation would not be expected to exceed \$6 million. The maximum share of this that could be assessed to the United States would be one-third or \$2 million.

3. Just as the agency is barred from being a give-away organization for handing out the members' funds and resources, it cannot be a give-away organization for atomic secrets. The agency will not be a distributor of classified information but only of information on peaceful uses of atomic energy which is in the open literature or is otherwise free of any restrictions on access imposed for reasons of security.

4. The fuel that the agency will distribute will not be of a kind usable for nuclear weapons. I understand that extensive processing and refabrication would be needed to convert this fuel into weapons-grade material or to extract its byproduct, weapons-grade material. No prospective recipient of fuel from the agency now possesses the necessary extensive facilities to effect this conversion or byproduct extraction. And if it were to acquire them, that could not as a practical matter be concealed from the agency's notice.

## Potential of the Agency

I have already sought to indicate the great potential of this agency—for economic development of large areas of the world; for cooperation with

other nations, including the Soviet Union, in ways which will reduce international tension and promote the practice of peaceful and constructive collaboration; for encouraging peaceful use of the atom and averting the spread of nuclear military potential to additional countries; and for giving the nations experience with a system of international safeguards which could build confidence and further the prospects of safeguarded disarmament.

We have proceeded to take the initiative on the creation of the agency with the blessings of the Congress. In 1954, although the President had not yet requested it, the Congress included among its extensive revisions of the Atomic Energy Act a provision specifically permitting the United States to enter into an agreement for cooperation with an international agency once it came into existence with appropriate congressional approval.<sup>4</sup> Now 80 nations have in effect accepted our concept. This is a unique development in diplomatic history. Ratification of this statute will afford the United States the opportunity to continue to exercise leadership to help the world, in the President's words, "out of fear and into peace."

## STATEMENT BY JAMES J. WADSWORTH, MAY 15<sup>5</sup>

I would like to cover some aspects of this treaty not fully gone into by Secretary Dulles and Chairman Strauss.<sup>6</sup> Secretary Dulles last Friday discussed with you the great foreign-policy considerations that hinge on ratification. Chairman Strauss yesterday explained the atomic energy advantages and the safeguards which we look to this agency to produce. I would now like to give you some insights into the process by which this treaty was hammered out, and then I will be glad to answer your questions.

I have been working for over 4 years as the Deputy United States Representative to the United Nations. During all the international

<sup>4</sup> For President Eisenhower's statement on signing the act, see *ibid.*, Sept. 13, 1954, p. 365.

<sup>5</sup> Made before the Senate Foreign Relations Committee on May 15 (press release 290). Ambassador Wadsworth is U.S. Representative to the IAEA preparatory commission.

<sup>6</sup> Lewis L. Strauss, Chairman of the U.S. Atomic Energy Commission.



conferences in which I have participated, I have never sensed such an intense interest and such a strong will for agreement as developed during these political negotiations on the atoms-for-peace program. It is somewhat difficult to define exactly the atmosphere in which we worked on this project. It was not a long series of agreements couched in generalities. Rather it was a businesslike negotiation aimed at spelling out provisions for international agreement to permit certain technical activities around the world. There was real skepticism about a number of important points which we overcame only after lengthy and intensive consultations. I would describe the atmosphere as one of "determined cooperation." At the finish there was general agreement that the statute represents the soundest, most logical, and safest way of attaining international promotion for and supervision of peaceful uses of atomic energy.

As we run through the important articles of the treaty, I think you will agree that we were not outnegotiated. If you compare the United States draft<sup>7</sup> which was submitted to the 12-nation working meeting in Washington in February 1956 with the final text of the treaty as agreed upon last fall, it will be perfectly clear that all of the original American policies are fully reflected in the treaty. Of course, some changes were made—in our judgment a number of improvements came out of the negotiating process. But as the Secretary of State said the other day,

... despite the need to reconcile these varied interests, the statute has kept intact every element of the President's proposal without sacrifice of substance or principle.

### **Rundown of the Statute**

ARTICLE I (*Establishment of the Agency*) and ARTICLE II (*Objectives*) are self-explanatory.

ARTICLE III—*Functions*. This article spells out what the agency is authorized to do. Because we hope that this agency will be good for the long pull, it has been given wide scope. In its early years it certainly will engage only in modest activities compared to the full scope of its authorized functions. This is clear from the planning work that has already taken place in the preparatory commission in New York during the past few months. There are a number of factors which

will be at work to limit the scale of agency activities in the beginning. The basic factor will be the caution with which this new international venture will be approached by supplying countries. Potential suppliers will watch this young project develop before assigning to it any large-scale responsibility for materials handling. One may say: Well, the United States has already committed itself to transfer 5,000 kilograms right away to the agency. But you will recall that the terms and conditions under which this material is to be made available to the agency are still to be worked out. I am sure that the terms and conditions which we will require will take full account of the preliminary status of this agency.

I would like to call your attention to article III-D, which is generally referred to as the "sovereign rights" clause. The question of sovereign rights is one on which nations are quite properly very sensitive, and there was a good deal of concern expressed in many quarters during the negotiation about the possibility that the operations of the agency will infringe the rights of nations. I think it is fair to say that we satisfied the legitimate concerns expressed and succeeded in getting acceptance for language that in no way will hinder an efficient operation of the safeguards system.

ARTICLE IV—*Membership*. The statute divides this problem into two parts—initial members of the agency (paragraph A of article IV) and other members (paragraph B). In the first category, the United States recommended from the beginning a formula which would restrict original membership to those states "members of the U.N. or specialized agencies." Four regimes—East Germany, North Korea, North Viet-Nam, and "Outer Mongolia"—have not achieved membership in any of these agencies; so the formula automatically rules them out. At preliminary meetings in Washington in the spring of 1956, efforts by the U.S.S.R. to strike out this phrase on the grounds that membership should be "universal" were easily defeated.

At this point I might deal briefly with the problem of Red China. At the 12-nation conference the Soviet Union tried to have an invitation to the September conference sent to Red China. This move was soundly defeated. The Government of the Republic of China was invited instead, and this Government is presently engaged in the process of ratification.

<sup>7</sup> For text, see BULLETIN of Oct. 24, 1955, p. 666.

In the second category—admission of new members—there was less controversy. The issue was whether admissions should be left exclusively to the general conference or whether the board of governors should have a role.

Some delegations thought the general conference should alone admit new members. The United States insisted that new members should not be admitted until *both* the board of governors and the general conference had determined that the applicant is willing and able to carry out the obligations of agency membership and with due consideration to its ability and willingness to act in accordance with the purposes and principles of the United Nations Charter. As you see, these provisions are part of the statute before you. The purpose of the reference to obligations of the U.N. membership is obvious. It is under essentially the same criterion as set forth in the U.N. Charter that Red China has been excluded from the United Nations, and we feel this criterion should be applied in the agency.

ARTICLE V—*General Conference*. A basic difference of opinion developed over the division of authority between the board of governors and the general conference. The latter body is composed of a representative from each member of the agency. There was an effort to make the general conference the main policymaking body of the agency. On the other hand, the U.S., supported by a majority, argued that on grounds of efficiency of operation the smaller body, the board of governors, meeting frequently, should be given this authority.

The final language of article V recognizes this principle, while at the same time giving appropriate powers to the conference. For example, the conference will review and approve (1) the budget, (2) amendments, and (3) selection of the director general. It will elect 10 members to the board of governors. It will also have the authority to discuss any question that falls within the scope of the statute. The views of the conference on these latter questions may be presented to the board of governors in the form of recommendations.

ARTICLE VI—*Board of Governors*. Debate on the composition of the board of governors was intensified as it became apparent that it would be the center of authority. Long and difficult negotiations were required before a solution was found

that all could accept. The United States felt that those countries having advanced atomic energy programs should have substantial influence in deciding the agency policy. On the other hand, there was the view that standard international practice of allocating seats on the basis of geographic distribution should be followed. A formula was finally worked out which did take into consideration the principle of geographic representation while at the same time recognizing the legitimate interest and responsibilities of potential suppliers.

Let me show you how this formula works.

The world is divided into eight areas for purposes of selecting members to the board of governors. The chart <sup>a</sup> shows likely dividing lines between the areas, although there is no firm understanding among the nations concerned as to exactly where these lines should be. The U.S. has not taken a position on this question except that, in cases where a country might be in one or another geographic area, we think it should decide for itself which area it wishes to be in. For example, the Philippines might with equal justification opt for the Far East or Southeast Asia and Pacific. Finland might be in either Western or Eastern Europe. However, there are relatively few such cases.

The statute provides for two major categories of membership—those designated by the outgoing board of governors and those elected by the general conference. In the case of the first board of governors, the preparatory commission carries out the designating function. Within the designated group there are four subdivisions:

1. Five members most advanced in the technology of atomic energy from the world at large.
2. The member most advanced in the technology of atomic energy from each of the eight areas of the world not represented by the first five.
3. Two of the following four producers of source materials: Belgium, Czechoslovakia, Poland, and Portugal.
4. One member as a supplier of technical assistance.

The general conference elects 10 members to the board of governors for 2-year terms except in the case of the first board, when 5 of the 10 are to be elected for 1 year in order to commence a staggered system of terms (similar to the Security

<sup>a</sup> Not printed.



Council). The statute provides that each area of the world, except North America, must be represented in this group by at least one country. Of course, in the case of North America there would be no other members to seek election since the two countries that comprise the area, the U.S. and Canada, will undoubtedly be designated by the board of governors in the first category.

The above is a description of the process for selecting members of the board as outlined in the statute. However, on the basis of negotiations and consultations that have taken place as the statute was being prepared, it is possible to indicate the probable composition of that part of the board designated by the outgoing board or, in the first instance, the preparatory commission. The original version of the statute prepared by a working group of eight in August 1955 would have based the selection of members of the board primarily on accomplishments in the atomic energy field. However, in later negotiations there was considerable pressure from the less-developed areas of the world to base selection on geographic representation. The final solution was a compromise of these two positions. Implicit in the final formula was a general understanding of all participants as to the countries qualified for designation by the board in the category of "most advanced in the atomic energy field." However, the statute does not name these countries since there may be changes in the future.

For the first group of 5 there is general agreement that the U.S., U.S.S.R., U.K., France, and Canada are qualified. Since this group of 5 comes from 3 areas of the world (North America, Western Europe, and Eastern Europe), this would leave 5 of the 8 areas to be represented in the second group. Those selected as the most advanced in these 5 areas will probably be Brazil from Latin America, Union of South Africa from Africa and the Middle East, India from South Asia, Australia from Southeast Asia, and Japan from the Far East. The qualifications of the "most advanced" countries listed above will probably be unchallenged, and all are members of the preparatory commission, which designates the members in the first instance. There was no general understanding as to which country would be designated as a supplier of technical assistance; it will probably be a Scandinavian country. Under this formula, there will be 23 members on the board, 10 in the first category of "most advanced" countries,

2 from the group of 4 producers of source materials, 1 supplier of technical assistance, and 10 elected by the general conference.

It is difficult to tell this far in advance what countries will be elected by the general conference. As pointed out above, the conference is to elect 1 member from each of 7 areas, which would leave 3 floating seats. The U.S. has taken the position that these 3 seats should be allocated—2 to Latin America and 1 to Africa and the Middle East. We believe this distribution will be followed in practice since it accords with the principle of equitable geographic representation.

So you can see that a large measure of control of the agency rests in the board and the predominant influence of the board rests in responsible hands.

And by the way, I think it should be pointed out that the United States, United Kingdom, and the U.S.S.R. are not the only potential suppliers to this agency. I understand that natural uranium (as opposed to enriched uranium) is going to be a prime fuel for power reactors. A number of countries such as Canada, Australia, the Union of South Africa, Czechoslovakia, and Portugal will be able to supply natural uranium to the agency. Norway is a supplier of heavy water, India and Brazil of thorium. The list could be made longer.

ARTICLE VII—*Staff*. The decisions of the board of governors will be carried out by the agency staff, headed by a director general. As the chief administrator, he will be appointed for a 4-year term. He will report to the board of governors.

There are a number of distinguishing features in the arrangements which govern the composition of the staff. Note in particular these three requirements: first, the paramount criterion in selection of staff to obtain employees of the highest standards of efficiency, technical competence, and integrity; second, an injunction to keep the agency staff to a minimum embodied directly in the language of the statute; and third, the provision giving some preference to nationals of member countries providing support to the agency.

ARTICLE VIII—*Exchange of information*. Article VIII deals with the exchange of scientific information. The following features are noteworthy. First, the provision of general information is wholly discretionary with each member;

second, scientific information developed as the result of agency assistance to particular projects must be made available to the agency, and subsequently to each of the members. Since we don't contemplate the United States as a recipient of agency aid, our role as a supplier of information remains entirely voluntary. The United States will not furnish the agency information of a classified nature.

ARTICLE IX—*Supplying of materials.* The first point to make about article IX, which deals with the supplying of materials, is that it puts no obligation on the members. The decision to sell or otherwise make available any materials to the agency is entirely up to them.

The text of article IX leaves no room for any different interpretation in this regard. Paragraph A, on fissionable materials, merely says that the "Members *may* make available . . . such quantities *as they deem advisable*"; and paragraph B, on source materials, also uses the same language: "Members *may* . . . make available. . ."

If there were any doubts here on the meaning of the statute, the statutory history would dispel them. At the New York conference last fall, Denmark and Pakistan proposed that paragraphs A and B be amended by substituting "should" for "may" so as, in their words, "to put at least some moral obligation on members" to come forward with materials. The United States, among others, spoke against this amendment, and it was defeated.

Materials transactions between the agency and its members are voluntary on *both* sides. Just as the agency cannot call on any member to make materials available, so the members cannot fob off any materials on the agency that the agency does not need and does not wish to accept. Members will notify the agency how much and what kind of materials they are prepared to make available. These notifications are essentially offers to the agency. If the agency takes up an option and concludes an agreement with the supplying country setting out the terms, the supplying countries then have a contractual obligation to deliver the materials to agency projects as the agency specifies, but until the agency so specifies the supplier has the right to keep the materials in its own possession. It can, of course, deliver to agency storage facilities but only if it wants to and if the agency agrees.

Paragraph C of article IX provides that in offering to make materials available to the agency the supplying member undertakes to do so only "in conformity with its laws." This phrase was added to the statute before the 12-nation meeting in Washington early in 1956 and was accepted without debate both at that meeting and the subsequent 81-nation meeting in New York. It embodies a suggestion made in the course of a discussion of the statute at an executive session of the Joint Committee on Atomic Energy during the summer of 1955. This language gives additional assurance, in respect to materials, of what is abundantly clear throughout the statute: that there is nothing in it that supplants or conflicts with any law of the United States.

One further observation on article IX. Members make materials available only "on such terms as shall be agreed with the Agency." This phrase of article IX-A means that, if the supplier is not satisfied with the price that it will get or with the agency's provisions for storage or with any other arrangements bearing on security or health and safety, it is under no obligation whatsoever to commit any of its materials. However, under article IX the board of governors makes the decision as to the specific agency project in which the material will be used. I am confident that the board of governors is so made up that in practice the distributions will be equitable, reflecting the criteria set forth in article XI, which I shall discuss presently.

In the unlikely event that the board of governors should distribute materials in a way that any supplier regarded as unfair, it would run the risk of losing this supplier. The United States, like any other supplier, could not be expected to continue to offer materials if the performance of the agency were not fair and reasonable.

ARTICLE X—*Services, equipment, and facilities.* Only a brief word is needed on article X. Essentially it provides that members may make services, equipment, and facilities available to the agency. Here again the decision is entirely up to the supplier. As in article IX, the words "*may* make available" are used. In New York, the Danish and Pakistani delegations proposed, as they had for article IX, that the word "should" be substituted for "may," but after the rejection of their amendment to article IX they withdrew this one without a vote. The same provision is made for reimbursing suppliers of services, equip-



ment, and facilities as is made for reimbursing suppliers of materials.

**ARTICLE XI—Agency projects.** Article XI provides a standard set of arrangements which must be followed in getting materials, services, equipment, and facilities to the nations who will use them. Paragraph A provides that any member or group of members of the agency desiring to set up any project for the peaceful development of atomic energy may request the agency's assistance. Paragraph C authorizes the agency to arrange for the supplying of any of these in two ways. The agency may act as intermediary to bring the applicant into direct arrangements with the supplier. Or it may provide the needed items directly.

The agency is also authorized, by article XI-B, to help the applicant get financing of the project from outside sources, but in doing this the agency will neither provide guaranties nor assume any other financial responsibility itself. Note also that the reference to "outside sources" confirms what is otherwise quite clear, that the agency itself is not going to be a financial institution authorized to make grants or loans to members.

In approving a project, the board of governors is directed by article XI-E to give due consideration to such points as the usefulness and feasibility of the project; the adequacy of proposed health and safety measures; the adequacy, availability, and equitable distribution of materials and other resources; and the special needs of underdeveloped areas.

In connection with every approved project there must be a so-called project agreement between the agency and the member or members concerned. Article XI-F requires that this project agreement must include certain provisions. Among them are provisions for allocation to the project of any required materials and for transfer of fissionable materials under adequate conditions to protect health and safety. There must also be a statement of the terms and conditions, including charges, on which any materials, services, equipment, and facilities are to be provided. In addition, provision must be made for the disposition of rights in inventions, and any patents on them, growing out of the project.

Finally, every project agreement must include two important undertakings by the member or members concerned. The first is that the assistance provided shall not be used in such a way as

to further any military purpose. The second is that the project shall be subject to the safeguards provided for in article XII. Since the safeguards of article XII, which I shall discuss next, are designed to be adequately protective for every possible type of project the agency might support, not all of them would be applicable in every case. It was provided that the project agreement should specify which of the safeguards are relevant to the project, thereby eliminating a possible source of dispute at the outset.

**ARTICLE XII—Agency safeguards.** Article XII permits the United States to join the agency in confidence that the great affirmative aim of accelerating the peaceful development of atomic energy throughout the world can be realized without concurrent furtherance of any military purpose. Secretary Dulles has explained how article XII may achieve even more than that, how it may make a positive contribution to solving the problem of nuclear disarmament. I shall not go over this ground again, nor shall I repeat Admiral Strauss' statement of the technical and scientific reasons for having faith in article XII's adequacy for the function it aims to perform.

The striking thing about this "safeguards" matter was the unanimity reached after long and fairly hot discussions. As Secretary Dulles said last Friday, if the atoms-for-peace program is to be effectively supervised, it will have to be under some multilateral scheme. Bilateral policing by American inspectors has a limited life expectancy. This treaty provides the best multilateral safeguard arrangement that we know of.

**ARTICLE XIII—Reimbursement of members.** The principle set out in this article was already proposed in our draft of August 1955, which was discussed with the Joint Atomic Energy Committee before its release. Right from the start we have insisted on the idea that this agency is a technical agency and not a grant-aid service.

**ARTICLE XIV—Finance.** Leadership in the drafting of this article was borne primarily by Canada during the Washington 12-nation negotiations, and again in New York its defense fell to a large extent to Canada. They were mindful of the importance of following financial procedures which would not run the risk of facing members of the agency with large bills to pay for extravagant programs. A similar spirit of caution and conservatism governed the reaction of others also.

The concept of dividing agency expenses into administrative costs, to be met by apportionment among members, and "operational" outlays, to be recovered from program beneficiaries, was a new contribution to the field of financing international activities.

ARTICLE XV (*Privileges and immunities*), XVI (*Relationship with other organizations*), and XVII (*Settlement of disputes*) do not contain provisions requiring extensive explanation.

ARTICLE XVIII—*Amendments and withdrawals*. I know that this article is of special interest to members of the committee. Questioning in previous sessions has indicated that there is some concern lest amendments unacceptable to the U.S. would be adopted over our objection.

First, let me say that this eventuality is entirely inconceivable to me. If two-thirds of the members of the agency ever took a stand on a basic issue which was opposed to our own, I am sure that this would signify a situation of such a character that well before the occurrence of such a development we would have ceased to be either a member or active participant in the agency.

But in any event, as you will see in paragraph D, a nation is fully at liberty to withdraw whenever an amendment unacceptable to it is adopted through the procedures of paragraph C. Note also that there is no limitation on withdrawal at any time after 5 years from the entry into force of the statute.

I would point out, finally, that the amendment procedure is similar to that in various of the specialized organizations in which the U.S. participates. Any more rigorous procedure would have increased the difficulty of making changes in the statute which the United States may at some future time consider desirable.

ARTICLES XIX (*Suspension of privileges*), XX (*Definitions*), XXI (*Signature, acceptance, and entry into force*), XXII (*Registration with the United Nations*), and XXIII (*Authentic texts and certified copies*) do not contain provisions which warrant taking up your time unless you have specific questions.

ANNEX I—*Preparatory Commission*. You will notice that there is an annex to the statute which provides for the establishment of a preparatory commission. This commission, consisting of 18 member states, was set up to make arrangements for the first meeting of the general conference, to study and recommend to the first board of gov-

ernors and general conference an initial program and budget, and to carry out certain other administrative responsibilities.

The commission has been meeting intermittently since last October and is well on the way to accomplishing its assigned tasks. Paul Jolles, of Switzerland, was appointed executive secretary, and a staff of about 15 is assisting him. Detailed discussions are under way on the specific, immediate activities the agency should undertake and on the staff and budget required to carry out these activities. The U.S. delegation to the commission has played a key role in all of this activity.

The commission is to meet next Monday [May 20] to set a target date for the first meeting of the general conference and the board of governors. As you know, Vienna has been tentatively selected as the site of the agency headquarters, pending formal approval of the agency itself after it comes into existence, and these first meetings of the agency will be held in that city.

#### **Importance of U.S. Participation**

Mr. Chairman, my enthusiasm for this agency and for United States participation in it stems from a profound conviction that it carries in it the seed of the genuine international peace and co-operation that we have all been seeking for so long. I am not a stranger to international conferences, large and small, many of them frustrating. As an example, 2 years ago I spent many weary weeks in London haggling over disarmament and with painfully little success.

But this operation has been different, and for a very simple reason: the nations of the world not only want this agency—they want it to succeed. The New York conference on the statute represented the entire civilized world in a way that no conference of this kind has ever represented it before.

You are aware that 81 nations, the entire membership of the conference, voted for this statute that is now before you for ratification. Not only that—there was not one single negative vote on any one of the 23 articles of this statute. That was the net achievement of this part of the great project: that all these nations wanted this agency so much that they were willing to assume the obligations written into this document—willing to submit to inspection and control—willing to submerge national aspirations, ingrained suspicions of one another, even age-old hatreds. The result



is a better statute than the one developed by the 12-nation working group, which in turn was an improvement on the draft of August 1955.

This great and satisfying experience has left me with two sincere convictions which I submit to you now in closing:

1. The International Atomic Energy Agency in itself represents one of the great hopes of the world. This world has shown that, first by its overwhelming approval of the concept, then by its unanimous adoption of the machinery.

2. The negotiations and the conference have proved that the representatives of the people of the world can work together, can iron out differences and break deadlocks, can come triumphantly and unanimously to a common, worldwide position.

Mr. Chairman, even if the agency should not live up to all expectations in the practice of its functions, it has already achieved a hitherto unachieved distinction in history. It has brought the world together on a common ground of agreement and endorsement. It has opened up vistas of peaceful consultation and cooperation that many had despaired of finding.

I have been truly grateful for the chance to participate in this first big breakthrough toward our common goal of peace with justice—the breakthrough initiated, nourished, developed, and brought to maturity by the United States. I told the final session of the 81-nation conference that we had been making history during the few weeks we had been working, and I ended with this challenge to them:

Science has given us the knowledge. Diplomacy has developed the instrument. May we have the wisdom to use both for the benefit of all mankind!

#### **ADDRESS BY FRANCIS O. WILCOX \***

The Department of State has for years watched with interest the activities of your organization. We have come to know it as an effective proponent of a point of view which is not identical with our own but whose general direction and purpose stir a deep moral response among men of good will.

As you know, we have honest differences of

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\* Made before the National General Assembly of the United World Federalists at Boston, Mass., on May 18 (press release 300 dated May 17). Mr. Wilcox is Assistant Secretary for International Organization Affairs.

opinion as to the practicability and desirability of some of your ultimate objectives. But we do appreciate the responsible way in which your officers seek to develop a better understanding among the American public within your field of activity. We appreciate, too, the distinction you draw between your ultimate aims, on the one hand, and what can be done today and tomorrow, on the other, to move toward a better-organized international life.

Tonight I shall discuss what I believe is a very important step toward this goal, one that has gone too largely unnoticed. I refer to the establishment of an International Atomic Energy Agency, which is now far advanced toward realization. My intention is to review briefly what this new agency is, how it came about, why those who have dealt with it consider it of such great importance to the United States. I want also to touch on the principal objections which critics of the agency are making. Every now and again in the course of world history mankind is confronted with a vision, a great challenge, which may substantially alter the course of human affairs. I believe we are now confronted with such a challenge.

#### **Evolution of the Peaceful-Uses Proposal**

This is a timely topic. This week in Washington the United States Senate is considering the statute of this agency, as a treaty which President Eisenhower has submitted for approval and consent to ratification. The statute has been signed by the United States and 79 other countries. The decision facing the Senate is an urgent and momentous one. Ratifications have already been deposited by Guatemala, the Soviet Union, Switzerland, Byelorussia, Rumania, Pakistan, and Austria. When the United States ratifies, we shall be one step closer to the objectives declared by President Eisenhower in his atoms-for-peace proposal before the United Nations General Assembly, in December 1953, to "find the way by which the miraculous inventiveness of man shall not be dedicated to his death, but consecrated to his life."

The true significance of this proposal becomes apparent when it is seen against the background of this atomic era which we have entered.

It was in December of 1942, under the stadium at the University of Chicago, that we first proved that our theories about the nature of the atom and

the relationship of mass and energy were accurate. For it was there that the first controlled nuclear chain reaction took place, and it was then that the scientists presented society with both a great blessing and an awesome problem.

The forces of nature recognize no moral code. If unleashed as an uncontrollable weapon of war, this miraculous force could destroy mankind and leave the earth barren and uninhabitable. If used for peaceful purposes, it could bring an unprecedented era of progress and advancement. Remember that locked in a single pound of uranium is the potential energy equivalent to nearly 3 million pounds of coal. Remember, too, that the horizons for improvement in agriculture and industry, with the help of the atom, are unlimited.

The United States realized early that it could not expect to have a monopoly on nuclear energy forever. It would be vital to the world that there be some form of international control over such a potentially destructible force. To this end, the United States, in 1946, submitted the Baruch plan to the United Nations.<sup>10</sup> This called for the creation of an international atomic development authority within the framework of the United Nations. The organization would have had the exclusive power to manufacture and control the use of all atomic materials and make sure that no nation could come into the possession of atomic weapons.

Fulfillment of this unprecedented offer to abandon atomic weapons, made by the only nation possessing them, was denied to the world by the Soviet Union, which refused to agree to any effective system of inspection and control. The reason soon became clear. While long and frustrating negotiations were being carried on in the United Nations, the Soviet Union was working feverishly to perfect its own atomic capability. On the 23d of September 1949, President Truman announced that the U.S.S.R. had successfully detonated an atomic device.<sup>11</sup> The atomic monopoly was broken. The atomic weapons race was on. The needy world awaiting the benefits inherent in the atom would have to bide its time.

However, we never gave up our hope for the eventual harnessing of atomic energy for peaceful uses. The primary question was whether or not this could be done on an international scale without

an overall disarmament agreement between the free world and the Soviet bloc.

But by the fall of 1953 President Eisenhower decided that international cooperation in the development of atomic energy for peaceful uses need not wait upon settlement of the more complex problem of a comprehensive system of disarmament. On December 8, 1953, he delivered his now historic address before the United Nations and declared that the benefits of the atom should no longer be withheld from a waiting world. He proposed the pooling of fissionable materials from the world's atomic stockpiles and the pooling of world technology and scientific manpower in an International Atomic Energy Agency.

There was an electric response from the members of the United Nations in support of the President's proposal—from all but the Soviet Union. It rejected the United States proposal and repeated its insistence on a ban—in fact unenforceable—on the use of nuclear weapons as a prior condition to the formation of a worldwide atoms-for-peace program.

What followed is an excellent example of the moral suasion which can be exerted by the members of the United Nations on important issues. The United States pressed forward in negotiations *without* the Soviet Union but with seven other states advanced in atomic energy. This group produced the initial draft statute for the International Atomic Energy Agency. In a new departure in international treatymaking, it was circulated to the 84 members of the United Nations and the specialized agencies for suggestions and comments.

The negotiating group was expanded in the fall of 1955 to include the Soviet Union, which had now finally decided to join. They seemed to recognize the wisdom of the old maxim—"if you can't lick 'em, join 'em." This was an essential forward step. The Soviet Union obviously saw only disadvantage in continued opposition to an idea of such worldwide appeal.

By the summer of 1956 the enlarged group had produced and unanimously accepted a revised draft.<sup>12</sup> In September 1956 representatives of 81 governments and 7 specialized agencies met in New York at the United Nations Headquarters. It was the largest international conference ever held. The statute was put under the microscope

<sup>10</sup> BULLETIN of June 23, 1946, p. 1057.

<sup>11</sup> *Ibid.*, Oct. 3, 1949, p. 487.

<sup>12</sup> For text, see *ibid.*, May 21, 1956, p. 852.



and reviewed, article by article. Over 100 proposed amendments were introduced. The amendments that were adopted, all of which were acceptable to the United States, clarified and broadened some provisions of the statute and made it stronger and more representative.

Ten critical years had elapsed since the United States first proposed to turn its atomic monopoly to the benefits of the world. Now the first positive step had been taken. Through our efforts and the growing pressure of world opinion the Soviet Union had been induced to enter into serious negotiations on the peaceful uses of atomic energy.

The concept of this agency represents the ideas and ideals of the United States as stated by President Eisenhower in his December 1953 speech. It is not only a bold and imaginative new step toward the harnessing of atomic energy for the benefit of mankind. It is also a means whereby nuclear materials for weapons may be limited, reduced, and diverted from destructive purposes. It could become the keystone of a new era of atomic energy development free from the terrible fears of an unlimited arms race.

### **Functions and Responsibilities of the Agency**

The agency of which I speak is within our grasp, but it has not yet come into being. Whether it is established and, more important, whether the United States plays a full and constructive role in its operation and development depends in no small part on the understanding and support given to it, now and in the future, by individuals like yourselves and the organization you represent.

Organizationally the agency will be made up of a general conference of all its members, a board of governors numbering 23, and a director general. Power will reside primarily in the board of governors, representing the more advanced countries in nuclear development plus a balanced geographical representation. The general conference, in which every nation has an equal voice, will have important powers of review, recommendation, and approval. A director general will be the chief executive officer of the agency, selected by and responsible to the board. He will appoint and direct the staff of the agency, which will carry on day-to-day operations.

So much for the structure of the agency. Once organized, what will it do? By the terms of its statute, the International Atomic Energy Agency is to "seek to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world." The agency is also to insure, so far as it is able, that its assistance is not used to further any military purpose.

The first job of the agency is to accelerate the spread of atomic knowledge. At present this knowledge is confined to a few countries. This situation must be changed if the full promise of atomic energy is to be realized. The agency will be a clearinghouse for information on atomic energy. It will stimulate the interchange of ideas, of scientists, and experts. It will have a crucial role to play in the all-important task of training new cadres of scientists and technicians throughout the world. It will develop worldwide standards for protection of health and safety and for the problem of waste disposal, which looms large in the atomic age. These activities have great value in themselves and will also encourage the search for new knowledge through research.

In addition to assisting the flow of ideas, the agency will promote the application of atomic energy to basic human needs. Most important are the nuclear research reactor and the nuclear power reactor, which hold vast potential for countries with little or only high-cost conventional fuel. Almost as dramatic is the multitude of uses of radioactive isotopes in medicine, agriculture, and industry. We estimate that American industry alone will soon save nearly \$5 billion a year through the use of spectacular isotope techniques. It would be impossible now to place a dollar amount on the value of isotopes in research and medicine in the treatment of cancer, leukemia, and other dread diseases.

To do these jobs the agency will act as a pool for fissionable materials and as a channel for delivering them to the user country. These materials are to be supplied by member states on a reimbursable basis, unless otherwise agreed.

The United States has already announced that it will provide 5,000 kilograms of uranium 235 on terms to be agreed upon. In addition, we will match the sum total of all other contributions made until July 1960. The United Kingdom and the Soviet Union have also made small offers of fissionable materials to the agency.

The agency's most important responsibility begins when an allocation of fissionable material has been made. The safeguards system written into the statute is, I believe, one of the most significant developments in international relations in our time. I will not attempt to describe these controls in detail here, but I would emphasize that they will insure that one of the primary objectives of the agency—that the assistance it makes available is not used for military purposes—is met. As laymen, we are aware of the double-edged nature of atomic energy, that the material which fuels a reactor is potentially fuel for a bomb.

Great pains have been taken to guard against wrongful use of the materials intended for peaceful use. These far-reaching controls, although they will apply only to projects developed with agency help, have been unanimously accepted by the nations which will participate in the agency.

### **Peaceful Uses and Disarmament**

I wish to devote a few minutes to what I would like to call the "submerged" assets of the proposed agency. There is in the International Atomic Energy Agency a potential for peace which you will not find in its statute. It has been very little heralded and largely overlooked. This is the very positive relationship the agency may have to the solution of disarmament and international security problems.

In his atoms-for-peace speech before the General Assembly in 1953, President Eisenhower made this expectation clear. He expressed the hope that his proposal would help to

. . . open up a new channel for peaceful discussion, and initiate at least a new approach to the many difficult problems that must be solved . . . if the world is to shake off the inertia imposed by fear, and is to make positive progress toward peace.

This hope has been borne out. The negotiations for the establishment of the International Atomic Energy Agency have so far been notably successful in opening this "new channel" for peaceful cooperation between the East and the West in a field of vital importance and symbolic significance for world peace. I am convinced that the very existence and successful functioning of the agency may in time help to improve other aspects of international relations.

For example, the agency may ease the way toward solution of some of the most difficult prob-

lems in the disarmament field. Specifically, the agency can help in moving toward international control over nuclear weapons. In our disarmament discussions with the Soviet Union on this subject the major area of disagreement has been the problem of controls.

However, the inspection and safeguards provided in the statute of the agency have won worldwide approval, including that of the U.S.S.R. It is possible that the establishment and operation of such a system under agency auspices would demonstrate the workability of international control and accustom the international community to the procedures involved. The confidence bred of experience is transferable. Our hope is that it will be easier to develop disarmament controls as a result of our experience with peaceful-uses control.

The specter of nuclear war is at present held at arms length by the equilibrium that has developed between the atomic forces of East and West. If the possession of nuclear weapons spreads much beyond the U.S., the U.K., and the U.S.S.R., this equilibrium will be upset. If a fourth country, and a fifth, and perhaps half a dozen others should obtain such weapons, the control problem would become infinitely more complicated.

The establishment of the agency, and with it an internationally accepted system of safeguards, is urgent. Peaceful development of the atom throughout the world cannot be stopped. The question is, will it be done in safety or will it be done in chaos? The time we have is dangerously short. With the agency system other countries can be supplied with nuclear materials without simultaneously spreading the nuclear weapons threat. Peaceful development of the atom will proceed in the open, in the full light of day. Governments will become assured that their neighbors will not secretly produce nuclear weapons out of peaceful-uses assistance. There will be a reduced temptation to produce their own in self-defense.

To rely on anything other than an international approach would be both wasteful and dangerous. Each supplier nation would then have to establish its own control standards. Such unilateral standards, however good to begin with, would be eroded away in the process of economic and political competition between the suppliers of fissionable materials.



## Answering the Agency's Critics

During the past week I have spent considerable time at the Senate hearings on the proposed agency. Both inside and outside Congress legitimate questions are being raised. People want to know whether the creation of this agency and our membership in it is consistent with our foreign-policy objectives and in the interests of the United States and its security.

"How can we be sure," it is asked, "that the nuclear materials to be provided on a worldwide scale for peaceful purposes won't be diverted and made into atomic bombs?" In answering this question I might point out that we would not be asking the Senate to ratify this treaty if we were not satisfied on this all-important matter.

Throughout the negotiations leading to the statute the United States has emphasized the importance, indeed the absolute necessity, of sound safeguard provisions. The United States position was sustained by the overwhelming majority of nations, and firm, thorough procedures are provided for.

Article XII of the statute sets out in detail the rights and responsibilities of the agency in this field. The design of specialized equipment such as reactors is to be examined and approved to assure that effective safeguards can be applied. Complete records must be kept by receiving nations and progress reports made to the agency. The agency must also approve the means by which used nuclear fuels are processed. Materials produced as a byproduct must either be used for peaceful purposes under continuing agency safeguards or must be stored in agency facilities. To verify all of these procedures and commitments, international inspectors will have free access at all times to all places, data, and persons involved with agency projects.

This is the heart of the statute. For the first time in history a large number of states have declared their willingness to admit international inspectors within their boundaries in the larger interests of international peace and security. This is a breakthrough of significance for the future.

In addition, there are other almost automatic safeguards which are inherent in the materials and equipment involved. For example, fuels for reactors supplied through the agency will not be of the quality required for making weapons. Any nation which seized this material would not be

able to make bombs out of it for months, and then only with expensive and complicated equipment and advanced technical knowledge.

The state thus attempting to violate the statute would be subject to immediate action. Further agency assistance would be stopped, and the multimillion-dollar facilities the country had built before receiving the materials would be useless. Meantime the international community would take whatever other measures might be necessary.

I consider that it is extremely unlikely that any member receiving agency assistance would attempt deliberately to misuse it, and, if they did miscalculate and take such reprehensible steps, they would gain no net military advantage.

The possibility has also been raised that an effort might be made secretly to siphon off material of military value and perhaps to hide it away in some remote place. There are natural as well as manmade safeguards against even this eventuality. For example, material taken from the core of reactors is highly radioactive and would be immediately lethal unless handled with great care by heavy, complex machinery from behind massive concrete and metal shielding. Such activity could not in any case go unnoticed.

From all these factors I think it is apparent that man and nature conspiring together can provide a system which will assure adequate safeguards for all assistance given through the agency and which will foster man's welfare rather than encourage any sinister intentions he might have.

Questions of a political nature, too, have been raised. For instance, it is asked, "Will United States materials and assistance go to Communist countries, perhaps eventually to be used against us?"

One of the most important services this agency can perform is to stimulate East and West to cooperate in a field of great mutual interest. Membership is open to all members of the United Nations and the specialized agencies, regardless of political orientation. It is therefore true that United States materials furnished to the agency could go to Communist countries. But with it will go the safeguards and controls I have described. In effect, this means that any satellite country, precisely like any other country receiving assistance, would have to open itself to continuing international inspection.

The American people have a legitimate con-

cern as to what *our* part in the agency will cost. "Does this mean," you may ask, "that the United States will be giving away vast quantities of nuclear materials or perhaps picking up the tab for the entire program?"

I hasten to assure you that this is not a so-called "give away" program. The statute is crystal clear on this point. Countries that furnish materials, services, equipment, or facilities to the agency are reimbursed unless they specifically agree to make a gift. The board of the agency is to establish a scale of charges for the assistance it renders.

The United States offer of 5,000 kilograms of uranium 235 to the agency is not an outright gift. It is "banked" by us and made available on terms to be agreed upon after the agency comes into existence. There will, of course, be administrative expenses for the agency, such as salaries and office expenses. It is estimated that the budget for these items for the first year will be in the neighborhood of \$6 million. If the United States contributes one-third, which is the maximum allowed by Congress without specific authorization, our bill would be about \$2 million. This is a relatively modest investment in an organization of such great promise.

It has been stated that the United States participation in the agency could result in our giving away secret information. This, of course, is not true. Member states which provide materials and knowledge decide themselves what information they wish to make available to the agency, while receiving states are obliged by the statute to inform the agency of any discoveries made with agency help. Clearly, we stand to add to our atomic information, not dissipate it.

I think you know that the United States has already developed an extensive bilateral atoms-for-peace program. We already have agreements with over 40 individual nations. "Why is it necessary," it might be asked, "to establish an international organization in this field? Won't the agency duplicate what is already being done?"

I have tried to show that the agency approach offers important advantages which are impossible to obtain through bilateral agreements alone. Nations will not always be willing to accept unilateral inspection by another state. Political and commercial competition among supplying countries could result in diluting and weakening the safeguards standards if we were to follow the road of bilaterals alone. I have touched on the

relationship between the agency and disarmament and the avenue it opens for East-West cooperation. In addition, the agency will make possible more economic use of nuclear materials and the trained manpower which is so scarce. Also there will be a pooling of new discoveries made with agency assistance by its recipients.

We all realize that the exact pattern of future scientific development is not always predictable and will not necessarily be restricted to those states with which we have bilateral relationships. The United States itself, therefore, may gain, in ways not now known, from research conducted with agency help.

In some quarters there have been expressions of concern that the new agency might provide an opportunity for Red China to seek international recognition. Is it possible for Red China to become a member of the agency?

In all stages of development of the agency, to the present, it has been the Government of the Republic of China that has represented "China." It is this Government that attended the conference which drafted the statute and that signed the statute. It is the Government that will represent China in the agency.

The only way the Red Chinese can be seated in any United Nations agency is to challenge successfully the credentials of the representatives of the Republic of China. Our experience in the United Nations over a number of years makes us fully confident that this challenge, if made, will be roundly defeated. The prospective membership of the agency should not differ substantially from that of the 11th General Assembly of the United Nations which, in November of last year, voted 47 to 24 to support the United States position on the question of Chinese representation.<sup>13</sup>

Finally, the question is asked: "How can this agency really work, since it has no final authority to enforce its rules and decisions?"

I know that the problem of sanctions is one of particular interest to the American people. As long as we are in a world of nation states, we will have to live with this question. However, the International Atomic Energy Agency has at its disposal a type of sanction not available to other international organizations except the United Nations itself. There the use of sanctions is often inhibited by the veto.

<sup>13</sup> *Ibid.*, Nov. 26, 1956, p. 855.



The agency will be empowered, by a simple majority vote of its board of governors, to cut off further assistance in cases of violation. It can also demand return of fissionable and other materials already provided. This would affect not only new projects but the continuance of old ones. If the agency develops as an important instrument of international cooperation in this field, it is highly unlikely that any state which relied upon it for assistance would want to cut itself off from such a source of assistance, information, and supply.

There is always the remote hazard that an irresponsible government might suddenly seize plants and materials located in its territory. This could only be done by overt action. It would immediately become known to all the world and would invite rapid retaliation. The incident would then become a matter for collective political action by states whose security might be endangered, or by the United Nations. The agency safeguards system, however, will reduce this possibility by lessening to a minimum the advantages which would be gained by seizure and by insuring an early warning of aggressive intent.

## **Conclusion**

As I mentioned at the outset, the statute of this agency is before the United States Senate for its ratification. We are presented with a rare challenge to reaffirm our leadership in the fight to bring the energy of the atom to the benefit of all mankind. We must not fail to meet this challenge. It is theoretically possible, by the terms of the statute, for the agency to come into being without the United States. Such a turn of events to me is unthinkable. It would have disastrous implications for our leadership in this field.

The vast potentialities for good in the atomic

energy field can scarcely be conceived. The greatest need today is for knowledge. As the demand grows for nuclear power, for research, for isotopes, for the many varied applications of the atom, the International Atomic Energy Agency will become the means whereby the nations of the world can work in peace and harmony toward mutual development.

The world has grown too small to keep the wonders of atomic energy the exclusive property of a few states. If the spread of atomic knowledge is to be, then let it be done in a controlled and safeguarded way. This the agency would assure.

The negative aspects of man's greatest discovery have so far dominated the atomic age. We have become beset with fears of the disaster that would result by the misuse of this awesome power. Now we have the opportunity to turn with equal energy and hope to the constructive side.

In this agency one means is at hand.

It is for these overriding reasons that we have given such unyielding support to the creation of this agency. We visualize it as a means whereby mankind can reach new heights of understanding, cooperation, and welfare. With the proposed agency we hold the key that can, in time, open the wonders of the atom to the benefit of all. We can hope in the words of Secretary Dulles that "the splitting of the atom might conceivably lead to a unifying of the now divided world."

## **Letters of Credence**

### *Canada*

The newly appointed Ambassador of Canada, Norman A. Robertson, presented his credentials to President Eisenhower on May 17. For the texts of the Ambassador's remarks and the President's reply, see Department of State press release 294.

## Secretary Dulles' News Conference of May 14

Press release 288 dated May 14

*Secretary Dulles:* I will be glad to receive questions.

*Q. Mr. Secretary, what is the policy of the United States with respect to the creation of a neutralized or demilitarized zone in Europe based on the Iron Curtain division inside Germany?*

A. The policy of the United States is not to accept any procedure along the lines which you indicate. In the first place, we do not accept any arrangement which is based upon the present partition of Germany. And there seems to be perhaps some misunderstanding about the so-called Eden formula, which, as submitted at the Summit Conference, did not involve any demilitarized zone at all. It was a plan for reciprocal inspection of what presumably would be militarized areas. If the areas were demilitarized, then your inspection would not prove anything as to the capacity of being able to control and verify your inspection. And the kind of thing that we are talking about in the first place did not involve any acceptance of the partition of Germany or any area which would imply acceptance of that, nor does it imply any demilitarized area for Germany.

And let me add this, that in anything which touched directly or indirectly upon Germany and its prospects for reunification we would act only in the closest concert with Chancellor Adenauer.

*Q. Mr. Secretary, what is the kind of thing we are thinking about in this armament discussion as to Europe?*

A. Well, we do not have any crystallized thinking at all as far as Europe is concerned as yet. What we are thinking of is the possibility of developing zones which would be subjected to aerial inspection. We are not thinking just in terms of Europe in that respect but rather in

terms of the Arctic area, Alaska, Siberia, and the like. That does not exclude the possibility of there being developed an area in Europe. But the difficulties in the way of extending aerial inspection at this stage to Europe are considerably greater perhaps than they are in the case of other areas, both because of the political implications and because of the greater number of countries involved.

*Q. Is it not possible, sir, to have an agreed zone of inspection in Europe without having it tied to the political problems?*

A. Yes. That is a possibility which I do not exclude. All I say is that, in an area where progress at best is difficult, the difficulties of finding an arrangement which would cover Europe are, I think, greater than the difficulties in dealing with the less-populated areas which are not subject to as many political complications as Europe is.

*Q. Mr. Secretary, there have been reports that Governor Stassen has been authorized to come up with specific proposals on these areas you talk about. Has he been so authorized?*

A. No.

*Q. Mr. Secretary, as a policy are we for or against creating neutralized zones as part of any disarmament scheme?*

A. Well, I don't think we favor any plan for a neutralized zone insofar as proposals or thinking on that subject have been developed as yet. I believe that Chancellor Adenauer suggested that with a reunified Germany he would be willing to agree that military forces of NATO would not be put into the eastern zone of what would then be the reunified Germany. And of course anything that Chancellor Adenauer wished in that respect would be given very careful and sympathetic consideration by ourselves. It would not be practical to put military forces in that area without the ap-



proval of the government of the reunified Germany. That is the only suggestion of that kind that I am aware of. It deserves, I think, sympathetic consideration.

*Q. Mr. Secretary, what are the prospects for having a recess in the London talks shortly and calling Mr. Stassen home for consultation?*

A. Well, I think that they have reached a point there where it may be appropriate that he should come back again. There have been put forward, I think, a total of 15 different proposals; they have gone through their agenda; and I think that it is possible that a stage has been reached to make it desirable for Governor Stassen to come back again. There has been no final decision reached in that respect—probably there will not be for a day or two—but that is one of the things being thought about.

*Q. Mr. Secretary, just for clarification, are you saying that the reunification for Germany is still a prime condition for consideration of any security arrangement in Europe?*

A. I said that we would not deal with disarmament in Europe in any way which could bear upon the reunification of Germany unless we were in that respect working in close cooperation with Chancellor Adenauer and the Federal Republic.

*Q. Does that rule out that pilot area for central Europe that has been discussed as a test for inspection and other devices for security?*

A. Well, as I said in answer to an earlier question, we do not exclude the possibility of having such a zone in Europe. If there is such a zone in Europe, it would have to be worked out in cooperation with NATO, with the Federal Republic. There are very considerable complications about that, so that in line with the policy which I enunciated in my New York speech of a month or so ago,<sup>1</sup> where I said that progress will probably have to be taken by steps, carefully measured and carefully taken, it may be that that is not the best place to start because of the complications.

*Q. Mr. Secretary, you gave a priority to the Far East as a possibility. Is the United States willing to accept or negotiate on the Russian proposal for opening part of Siberia in exchange for Alaska and the United States west of the Mississippi?*

<sup>1</sup> BULLETIN of May 6, 1957, p. 715.

A. Well, I wouldn't want to try to define here what the area would be, because we have not yet had the consultations here in our own Government which would lead to any conclusions about that. I did say that I thought that the Arctic areas and the less densely populated areas and the areas which involve less political complications might be an easier place to start.

*Q. Because it would be bilateral or perhaps including Canada?*

A. Yes. It could be done there pretty much on a bilateral basis with Canada, and Canada has already indicated that it is sympathetically disposed to moving along those lines. Furthermore, those are the areas which involve to a very considerable extent the potential launching sites which might be used in an atomic war.

*Q. Mr. Secretary, would that involve landing rights for inspecting craft and other purposes?*

A. Well, now, you are getting into a lot of details. I think all of you are pretty familiar in general with the so-called Eisenhower "open skies" proposal. It would involve all the elements of that plan.

*Q. Mr. Secretary, several months ago you wrote the Justice Department asking for legal action against certain laws which require retailers to post signs if they sell Japanese exports. Have you received any response from the Justice Department?*

A. I'm sorry to say that I couldn't make a categorical answer to that. There has been no response that I am aware of. But that does not prove that a response may not have come in.

#### **Question of Allowing Newsmen To Go to Red China**

*Q. Mr. Secretary, do you continue unswerving in your opposition to American newsmen visiting Red China?*

A. Well, I continue to hold the position which I have enunciated several times. Whether you call that "unswerving" I don't know.

*Q. Mr. Secretary, would you elaborate on your point that you made in a letter to Mr. Sulzberger:<sup>2</sup> that the constitutional freedom of the press relates to publication and not to gathering of the news?*

<sup>2</sup> Arthur Hays Sulzberger, chairman of the board and publisher of the New York Times.

A. Well, I merely say that that has been the interpretation which has been put upon it by a number of Supreme Court decisions.

*Q. How do you relate that, sir, to the problem of gathering news inside of Red China? That holds in our own country for sure.*

A. I don't believe I understand the question.

*Q. Well, you say there have been a number of court decisions or interpretations on this point. I just wondered how you relate your point and these interpretations to the problems of gathering news inside of Red China. Certainly, we couldn't go into a Cabinet meeting and sit down in this country, but there might be other factors involved outside the country.*

A. Well, it has been suggested that, by reason of the First Amendment, newspaper people in exercise of the freedom of the press have a right to freely travel everywhere. I merely pointed out that that is not the interpretation of the Constitution which the United States Supreme Court has adopted.

*Q. Mr. Secretary, will you authorize Mr. Berding or someone to give us the citations that you have in mind on that from the Supreme Court?*

A. Yes. I will do it through Mr. Berding. My legal adviser got this up several weeks ago.

*Q. Mr. Secretary, does that now mean that you are waiting for the newspaper fraternity to come up with a proposal still for meeting this question of newsmen traveling into Red China?*

A. I have indicated that it is possible that the news-gathering community might be able to devise a plan sufficiently limited so that I would feel that it could be accepted consistently with our foreign policy objectives. A number of suggestions have been made more or less of an individual character along those lines which we are studying. Whether or not they can be reconciled with the foreign policy objectives, and whether or not they would be accepted by the news-gathering fraternity as a whole, are two questions which are not yet answered but both of which are being studied.

*Q. Mr. Secretary, there has been some worry expressed in editorials and on the part of publishers that the position you have taken on a constitutional question you enunciated in your letter*

*to Mr. Sulzberger means in essence, since you control passports, that the American press can cover foreign news only on the sufferance of the Secretary of State. Is this a correct interpretation?*

A. No, I would say it is not a correct interpretation. Of course, the whole legal area as regards passports is somewhat in doubt, and there are pending a number of cases in the courts which, if they go up to the Supreme Court, will probably lead to some authoritative decision as to just what the functions and responsibilities of the Secretary of State are as regards passports. And whether or not it will be held that there is a right to travel everywhere which is superior to foreign policy, I don't know. If the courts so decide, naturally I will accept such a decision. But as long as it is the practice, and so far as it is consonant with judicial opinions, to hold that the issuance of a passport involves foreign policy considerations—so long as that is the case, I will have to exercise my authority in accordance with what I judge to be the interests of the United States.

*Q. Would you like to see a court test made of that, sir?*

A. Yes.

*Q. Mr. Secretary, if you can control the sources of news, of what value is the right of publication, since you have nothing to publish? Isn't that the position you are taking? Isn't that the classic way to stop the publication of news?*

A. No, I would not say so. There are ample ways of gathering news without sending American correspondents with American passports into areas where that would involve a conflict with the United States foreign policy. There is no difficulty now in collecting news from China. Anybody can send anybody there, if they don't have a United States passport. That is no obstacle to collecting news, because there are plenty of people who can go there and do go there, and, in fact, their news comes out.

*Q. Sir, do you mean from that an American citizen is free to go there as long as he doesn't take an American passport?*

A. No. Non-Americans.

*Q. Does that mean you would have a national of some other country go over to cover it for the United States press?*



A. That is entirely possible, yes. You see, the difficulty is, among others, that Americans and the rights of Americans are so flaunted by Chinese Communists that it is extremely disadvantageous from our standpoint to have Americans to continue to go there. There is no respect for the rights of Americans in China, and to have more Americans go there when the rights of Americans already there are being grossly violated is, I think, an unwise policy from our standpoint.

*Q. Mr. Secretary, do you consider it possible or desirable for a foreigner to cover news for American news sources?*

A. No, I don't think it is as desirable, but in these matters you have got to strike a balance of convenience.

*Q. Mr. Secretary, doesn't your policy amount to using newsmen as a weapon to force the Red Chinese to do what we want them to do?*

A. It is I think a policy which is designed to secure respect for American citizens, American lives, and the American passport throughout the world.

*Q. To put it another way, sir: Is it not true that your policy amounts to making the press, the American press, an instrument of American foreign policy?*

A. No. Because our policy applies not only to the American press but to all Americans.

*Q. Mr. Secretary, could I ask you an ethical point on this? Would it be correct to infer from what you have said that we would not be violating the spirit of your regulations if we were to employ a foreign national to cover news in Communist China?*

A. That is quite right, because the United States Government has no responsibility for the welfare and safety of the national of another country. Our responsibility is to protect Americans wherever they go, and there is no American that can even waive that right. That is a right which inheres in the Nation. And it is not consistent, I think, with the dignity and respect for this Nation and its citizens to have them go with American blessing and an American passport into an area where already the Americans that are there are being abused, mistreated, in violation of the ordinary code of civilized countries. And

until and unless the Chinese indicate a different policy in that respect, we do not favor sending more Americans there.

Now there are many other reasons. When I talk about this subject, I am often charged with being inconsistent, because there are so many reasons and if I don't give them all at one time then they say that I am always shifting my ground. Well, there are a good many reasons. If I gave them all, it would take a speech of considerable length—longer than this press conference.

*Q. Mr. Secretary, are you saying then that if the Red Chinese release the Americans they now hold, you might change your mind about letting newsmen go to China?*

A. Yes. If the Chinese Communist authorities showed respect for American citizens and treated them decently, we would certainly take a new look at the situation.

*Q. Is it not inconsistent, sir, to take the general stand that you have and then to say that you would be willing to allow some American newsmen to go under a restricted policy? How do you jibe those two things?*

A. Well, sometimes you know in life it is not possible to be absolutely logical in everything that you do. And I think, if it was clearly put on an experimental basis to see how it worked with a strictly limited number of people, that that, while it is not entirely logical, is a chance that we would be willing to take out of deference to the strong views of the news-gathering fraternity that they should be allowed to gather news through American citizens rather than through citizens of another country. I admit that it is not strictly logical, but there are some cases where pure logic has to give way before a measure of compromise.

*Q. Mr. Secretary, developments in the last few days, both here and abroad, seem to be pushing the Algerian question back into the forefront. Is there anything you could say about the situation in Algeria?*

A. No, I have nothing particular to say. I discussed it a little bit when I was in Paris last week with Prime Minister Mollet and Foreign Minister Pineau, and they described the situation to me as they saw it, and we have the reports of our own people. The situation does not seem to be clarifying.

*Q. Mr. Secretary, as you know, over the week-end there was made public a rather dramatic appeal by Messali Hadji to President Eisenhower to speak out against French atrocities in Algeria, and, as a group of Arab envoys are coming to see you here later in the week on the same issue, do you think there is anything we can do about that situation?*

A. Well, I don't know that there is. We are waiting to see, of course, what these gentlemen have to bring to us and wouldn't want to anticipate the result of their visit.

*Q. Mr. Secretary, President Rhee of South Korea has indicated that the United States has assured him that modern weapons will be sent to Korea. Could you say if this means the United States is considering altering the Armistice Agreement with the Chinese Communists or the North Koreans?*

A. The Armistice Agreement has to be interpreted, I think, in a realistic way. It was made nearly 5 years ago, presumably for a brief duration, and called for a replacement of weapons only on a piece-by-piece basis of comparable quality. Well now, in the passage of that 5 years much of the stuff that was there is no longer made, has become obsolete. Therefore, it is not practical to replace it exactly on a like-for-like basis, and there must be some elasticity there. Furthermore, we have good evidence that the Chinese Communists from their side are introducing weapons, planes into the area upon a basis which does not involve by any means a strict or reasonable compliance with the Armistice Agreement. Under those circumstances we are considering introduction of more modern, more effective weapons ourselves into the Republic of Korea.

#### **Rights of Israel in Suez Canal**

*Q. Mr. Secretary, the Government of Israel has announced its intention to send a test ship through the Suez Canal. Is the Government of Israel consulting with the United States Government on this matter, and what is the United States policy with regard to this plan?*

A. We are not officially advised of any such plan, and therefore we have no official policy with respect to that particular plan. You know the views which the United States has always held with respect to the right of access to and through

the canal by the vessels of all nations in accordance with the 1888 convention.

*Q. Does that imply, Mr. Secretary, that the United States would support such a test plan?*

A. Support it—in what way do you mean?

*Q. Well, you would not disapprove of their testing their rights to go through there under the 1888 convention?*

A. It is hardly up to us to tell another government not to exercise what they believe their rights are and not to test them out. Certainly we would not oppose their testing out their rights if they think that is in their interest. We would, of course, oppose any attempt to settle the matter by force or acts of war.

*Q. Mr. Secretary, would you disapprove of any action which would oppose the passage of Israeli ships through the canal?*

A. Well, we have already made clear that we think the ships have a right to go through.

*Q. You would disapprove of any action by Egypt to block an Israeli ship from passing through?*

A. We would certainly not approve. When you say "disapprove," I don't know whether you are asking whether we are going to make a public declaration on the subject or not. We don't generally express ourselves in terms of approval or disapproval of the acts of other countries unless our own interests are somewhat involved.

#### **International Atomic Energy Agency**

*Q. Mr. Secretary, Senator Russell and others have said that they are going to do everything they can to defeat the President's atoms-for-peace plan since Russia and some other countries have already accepted that. Could you say to what extent it will embarrass us if it is not ratified here?*

A. It would, I think, be a rather serious blow to the international leadership of the United States in the field of humanitarian effort if our leadership in this respect were repudiated. This particular project is one which has caught the imagination of the peoples of the world because it does turn this possibility of a destructive weapon into peaceful channels and it provides safeguards against the abuse of this material—



against its being used in ways that are injurious to health and the like. The nations of the world have welcomed and followed this. The Soviet Union tried to block it for nearly 2 years. But the pressures for it were so great that they finally reversed their position and are now trying to move in and give a kind of leadership. I think it would be a very great misfortune if this project, launched under American auspices, were to fall by the wayside.

*Q. Mr. Secretary, on that point Senator Russell, who should be very well informed since he is the chairman of the Armed Services Committee, has said flatly on a television program that this atoms-for-peace plan is bad for the United States. Is the administration taking any action to try to change the opinion or to convince these gentlemen on the Hill?*

A. Yes, I was up there as a witness testifying last week,<sup>3</sup> and I think that Admiral Strauss and Ambassador Wadsworth are up there testifying this morning.

#### Disarmament

*Q. Mr. Secretary, going back to the disarmament talks in London, so many different kinds of questions have been discussed that I think it would be useful if you could give us your own personal estimate of where we are in these talks and what are the critical areas of negotiation at the present time?*

A. I think the critical aspect of the matter continues to be, as it has always been, the possibility to devise and gain acceptance of a system of inspection and control. Now we know through long experience that the promises of the Communists are not dependable. There is a long list which can be given. Now those promises in the past that we have taken from them have not involved our relying upon them in ways that put in jeopardy the very existence of the United States itself. When it comes to this field of armament, then, to rely upon unverifiable promises would be, I think, an act of very gross negligence on the part of any government. We do not intend to weaken the United States militarily merely in reliance on the promises of others which cannot be verified. So we are back again at the old question, can it be verified?

<sup>3</sup> See p. 878.

Now the President put forward his aerial inspection proposal to be accompanied by ground patrols and blueprints. Now that proposal was originally rejected as a matter of principle by the Soviet rulers, who said it would be merely an intelligence and spying operation. Now at least there has been a change to the extent that instead of discussing *whether* or not there would be such inspection they accept it in principle and the debate now is *where* will there be such inspection. That, I think, marks a certain measure of progress. It still may be merely a diversionary exercise on the part of the Soviet, but there is some evidence to suggest that it does involve a genuine change on their part. So now we get into the question of discussing areas where that can be tried out. As I indicated, we have reached no governmental decision yet at all as to areas which would be acceptable to us, nor do we know what would be acceptable to the Soviet except as we inferred from the proposals which they made a little while ago, on April 30, I think.

In general it would seem to me, and this is, you might say, a State Department viewpoint which has not yet been coordinated with that of all the other departments, but it is primarily our responsibility to watch the political aspects of this matter and we see a good many political pitfalls in trying to start out this experiment in Europe where you run into a great many problems such as the reunification of Germany, problems of NATO, the neutralization of some states such as Austria and Switzerland, and so forth. If we are going to take the steps, as I said in my speech, steps carefully measured, carefully taken, carefully calculated, if we are going to do it that way, the most likely place to get started may be in areas which are sparsely populated and don't involve many countries and no great political complications. That is just the tentative line of our thinking. We have not yet reached any conclusion as to drawing lines on a map as to just what the area would be under that test, nor do we have any reason to believe that the Soviet would accept our ideas, but we are, I think, at a point where there could be a fruitful discussion of what is an essential element of the matter.

I believe that, if you could get inspection of certain areas that worked, and if those were the areas likely to be principal staging areas for attack, there would be a relaxation of fear in this matter

which would then make it easier, almost inevitably, that there should be reduction of other types of armament.

*Q. Could I ask whether you regard this has proceeded far enough so that you might yourself take part in a foreign ministers' discussion of the matter?*

A. Well, I have not given much thought to that. I observed, I think, that Mr. Khrushchev in his interview with Mr. Catledge<sup>4</sup> did not seem to be very enthusiastic about the prospects about a conference between Mr. Gromyko and myself, and I don't look forward to it either with any great enthusiasm. (Laughter)

*Q. Mr. Secretary, when you said earlier, if I caught it correctly, that Governor Stassen was not authorized to state American policy, if that is what you said, were you in any way repudiating the proposals which he put forward at London which, as we understand it, did include the suggestion of a zone of inspection in the Far East and one in Europe?*

A. No, I am not repudiating those. I thought that the question related to the more recent developments of that matter as to which there is not yet any firm U.S. policy, so that neither he nor anybody else is in a position to put it forward.

*Q. But the initial proposals put forward were official government proposals?*

A. That is correct.

*Q. Mr. Secretary, aren't the skies practically open to inspection due to the scientific exchange between Russia and the United States over Siberia and Alaska in the International Geophysical Year? There is, as I understand, exchange of planes between Murmansk and Nome, as I recall.*

A. Well, I don't think that that has ever worked out. There was a suggestion once; it was made at a more or less scientific level, and we were anxious to develop that, but I think that then the Soviets rather withdrew from it.<sup>5</sup> That is my impression.

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<sup>4</sup>Turner Catledge, managing editor of the New York Times, had a personal interview with Mr. Khrushchev on May 10.

<sup>5</sup>For text of Soviet note, see BULLETIN of Dec. 17, 1956, p. 953.

*Q. Mr. Secretary, when you talk about inspection at least in some trial area, are you talking about the need for aerial, ground, and also blueprint exchange as a minimum condition for us, or would we be willing to just settle on one of those, hoping to eventually reach the stage where we would have to have all three?*

A. Well, I think that the question of the aerial inspection and the blueprints is certainly quite indispensable and the question of ground patrol would depend a good deal upon what was the area which you were dealing with.

*Q. Mr. Secretary, when you referred in your answer a moment ago to the latest developments in the London talks and the firming up of U.S. policy, did you mean practically an American response to the Soviet proposal on the Siberian issue?*

A. As I said, there have been a number of proposals put forward—so many it is hard to keep track of them all—a total of 15. The most significant is the Soviet proposal, I think dated April 30.

*Q. Mr. Secretary, when you turn over blueprints of the Arctic that would involve, would it not, looking over blueprints of the distant warning sites? Are you prepared to do that?*

A. Well, I can't answer that.

*Q. Mr. Secretary, in your mind are the German reunification and any disarmament reached in Europe, still the two factors that must be resolved at the same time, pretty closely related?*

A. I think it is very difficult to work out an effective and dependable limitation of armament arrangements for Germany which is not connected somewhat with the reunification of Germany. As I indicated before, our views in that respect would be very largely influenced by the views of the German authorities themselves, particularly Chancellor Adenauer. I don't say it is impossible, but I would think that their judgment would carry a great deal of weight in that matter.

*Q. I was thinking more of a general disarmament in Europe. Is that in your mind linked with the problem of German reunification? In other words, would we reach a limited disarmament agreement with the Russians without at the same time insisting some progress be made on the German problems?*



A. Well, that again I don't want to answer without consultation with the Germans. I think their views are entitled to a great deal of weight.

*Q. Mr. Secretary, in reply to a question a moment ago about the equating of Alaska and the United States west of the Mississippi with the Siberian area of Russia, you didn't eliminate the United States west of the Mississippi. I was wondering if you do equate them or if you meant to ignore that.*

A. I would say I do not equate the United States west of the Mississippi with Siberia.

## **United States Recognizes Provisional Government of Colombia**

Press release 299 dated May 17

The Department of State on May 17 informed the Colombian Embassy, in reply to notes received from the Colombian Ambassador, that the Military Junta is recognized as the provisional Government of Colombia.

## **Euratom Committee Issues Report on Power Target**

Press release 273 dated May 7

The Department of State is pleased to note the publication on May 7 of the report *A Target for EURATOM*, which has been issued by a committee appointed by the Governments of Belgium, France, Germany, Italy, Luxembourg, and the Netherlands, which recently negotiated the treaty for a European atomic energy community (EURATOM).<sup>1</sup> The issuance of this report represents another concrete step in the development of the European atomic energy community and as such is welcomed by the United States.

It is noted that the nuclear power target for EURATOM for 1967 has been set at 15 million kilowatts. As was stated in the joint communique issued in February of this year by the Department, the Atomic Energy Commission, and the EURATOM committee representing the six governments at the end of their visit to the United

<sup>1</sup> Copies of this 24-page report are available at no charge from the Information Office of the European Community for Coal and Steel, 220 Southern Building, Washington 5, D. C.

States,<sup>2</sup> this Government regards this bold and imaginative program as feasible and further noted that the availability of nuclear fuel should not be considered a limiting factor. At the invitation of this group a technical team from the U.S. Atomic Energy Commission has been in Luxembourg to examine the technical problems posed by the nuclear power target set forth in the May 7 report.

## **Final Date Fixed for Filing War Damage Claims Against Italy**

Press release 293 dated May 16

In a recent agreement concluded by the United States and Italy for the purpose of expediting the settlement of claims under article 78 of the treaty of peace with Italy for losses or damage to property in Italy as a result of World War II, June 28, 1957, has been fixed as the final date for the presentation of such claims to the Government of Italy by citizens of the United States. Claims should be filed directly by the claimant or his representative with the Ministero del Tesoro, Raggionerie dello Stato Ufficio Beni Alieati e Nemici, Via Tor Fiorenza, 35, Rome, Italy.

Under the terms of the treaty of peace with Italy it is required, in general, that a claimant must have possessed citizenship of the United States or have been a United Nations national on September 3, 1943, the date of the armistice with Italy, and also on September 15, 1947, the date the treaty of peace entered into force.

## **U. S. Replies to Japan on Atom and Hydrogen Bomb Tests**

*Following are two exchanges of notes between the United States and Japan on the subject of the testing of atom and hydrogen bombs.*

### **CORRESPONDENCE ON JAPANESE DIET RESOLUTION**

#### **U. S. Note of April 27**

The Secretary of State presents his compliments to the Chargé d'Affaires ad interim of Japan and refers to the Embassy's note dated

<sup>2</sup> BULLETIN of Feb. 25, 1957, p. 307.

March 20, 1957, transmitting the resolution of the House of Councilors of the Japanese Diet urging the use of atomic energy exclusively for peaceful purposes and the prohibition of atomic and hydrogen bombs, and expressing the desire of the Government of Japan that the fullest consideration of the United States be given to the earnest desire of the Japanese people so expressed in the resolution.

The Government of the United States is deeply and urgently concerned with the problem of safeguarded control and reduction of armaments, including nuclear weapons. To this end, the United States is now engaged in detailed negotiations through the United Nations Disarmament Subcommittee with representatives of Canada, France, the United Kingdom and the U.S.S.R., and has introduced important new proposals for consideration by this body. A vital element of these proposals is directed toward limiting and eventually eliminating all nuclear weapons testing when adequately inspected controls over future production of fissionable materials and beginnings in the reduction of existing stockpiles of such materials have been achieved. As a first step, the United States has endorsed the proposed resolution on advance registration and limited international observation of tests co-sponsored by the Governments of Japan, Canada and Norway in the recent discussions of the United Nations General Assembly. This endorsement was reaffirmed in the communique issued following the recent talks at Bermuda.<sup>1</sup> The United States shares the hope of the Government of Japan that such measures may serve as an opening step toward wider and more effective measures to reduce the nuclear threat as a whole.

The United States will continue its active search for effective means of bringing about control of this threat. It reaffirms its belief that an effective system of safeguards and controls can be established. This goal has thus far not been achieved, however, because the U.S.S.R. has been unwilling to accept the safeguards essential for its fulfillment. In the absence of an effective agreement regarding the control and disposition of fissionable materials, the United States is obliged, in the interests of free world security, to use portions of its fissionable materials to develop and refine its nuclear weapons as the chief deterrent to aggression and war. International

agreement to abandon tests without adequate safeguards would involve a reliance upon the good intentions of certain nations who, by their record of past action, do not warrant such reliance.

The United States, under the leadership of President Eisenhower, has taken the lead in promoting the peaceful uses of atomic energy. It also has been instrumental in promoting scientific studies in this field. In this regard, the United States is cooperating fully with the Scientific Committee of the United Nations, of which Japan is a member, in seeking to pool and disseminate data on the effects of ionizing radiation on human health. The United States has supported independent studies which have concluded that the present rate of atomic weapons testing has not raised world-wide radiation to biologically dangerous levels. At the recent Bermuda Conference, the United States pledged itself publicly to conduct testing "only in such a manner as will keep world radiation from rising to more than a small fraction of the levels that might be hazardous". That pledge is hereby renewed to the Government and people of Japan.

#### **Japanese Note of March 20**

The Ambassador of Japan presents his compliments to the Honorable the Secretary of State and, under instructions from his Government, has the honor to inform the Secretary that the House of Councilors of the Diet in its plenary session on March 15, 1957 unanimously adopted a "Resolution on Prohibition of Atom and Hydrogen Bombs". The English translation of the Resolution is enclosed herewith.

With reference to the above Resolution, the Ambassador has further the honor, under instructions from his Government, to state as follows:

1. This Resolution is based upon the earnest desire of the Japanese people, who have experienced the ravages of nuclear weapons more than any other people, to seek a true peace.

2. The Government of Japan transmits the Resolution in the desire that the Government of the United States would be good enough to give it its fullest consideration.

Enclosure: English translation of Resolution

EMBASSY OF JAPAN,

*Washington, March 20, 1957.*

#### **RESOLUTION OF THE HOUSE OF COUNCILLORS ON PROHIBITION OF ATOM AND HYDROGEN BOMBS.**

It is resolved that:

This House adopted sometime ago a "Resolution on International Control of Atomic Weapons" and a "Resolu-

<sup>1</sup> BULLETIN of Apr. 8, 1957, p. 561.



tion on Prohibition of Atomic and Hydrogen Bomb Tests" requesting the United Nations and the Powers concerned to take appropriate measures. It is to be deeply regretted, however, that no steps have yet been taken for the international control of atomic energy but atom and hydrogen bomb tests continue to be conducted either with or without previous notice and that the United Kingdom Government is now preparing to carry out new tests around Christmas Island notwithstanding the repeated protests from the Japanese Government.

This House hereby urges again that the United Nations and the Powers concerned take speedily effective and appropriate measures for limiting the use of atomic energy exclusively to peaceful purposes and for the total prohibition of production, use and testing of atom and hydrogen bombs; and in view of the reasonable fear that if things are left as they are today the amount of fall-out from nuclear explosions may increase to the point of irretrievably affecting human life, calls for solemn reflection on the part of the United Kingdom, the Soviet Union and the United States of America and requests these powers to suspend all atom and hydrogen bomb tests now under contemplation, regardless of whether they are to be held with previous notice or not.

## **CORRESPONDENCE ON NEVADA TESTS**

Press release 286 dated May 13

### **U.S. Note of May 13**

The Secretary of State presents his compliments to the Chargé d'Affaires ad interim of Japan and refers to his note No. P. 69 dated April 29, 1957, transmitting the request of the Government of Japan that the Government of the United States give renewed consideration to the views of the Japanese people concerning testing and, in particular, the forthcoming United States tests to be conducted in the State of Nevada.

The Government of the United States wishes first to reassure the Government and people of Japan that the forthcoming Nevada tests will be conducted in such a manner as not to result in any significant addition to radiation levels throughout the world. The tests will be of low-yield fission devices and will be made only when weather conditions are the most favorable. The concern that the Government of the United States has for the health and well-being of its citizens, as well as of all humanity, will be reflected in the extreme safety measures that will be taken with respect to each test in the test series.

The Government of the United States reaffirms its sympathy for the desire of the Japanese people that the use of nuclear energy be limited exclu-

sively to peaceful purposes and that all nuclear weapons tests be suspended. These objectives are ones that the Government of the United States has been seeking to attain since 1946. The most recent United States proposals to these ends were contained in the statement made on January 14, 1957, in the United Nations General Assembly by the United States Delegate.<sup>2</sup> These proposals have since been presented and vigorously supported before the United Nations Disarmament Subcommittee now meeting in London. The United States has made clear in these proposals that it is ready to limit and eventually cease nuclear testing, provided that the present trend toward the increase in nuclear weapons stockpiles is halted and the reduction of such stockpiles is begun in accordance with specific arrangements which include adequate safeguards. By its repeated rejection of United States' disarmament proposals, the Government of the Union of Soviet Socialist Republics has obstructed progress toward control of the nuclear threat and the ending of nuclear weapons tests.

In the absence of adequately inspected agreements for the control and reduction of armaments, the Government of the United States has a responsibility to its people—as well as to the rest of the free world—to strengthen its defensive and deterrent capabilities and thereby contribute to the maintenance of peace. History has repeatedly demonstrated that one-sided weakness leads to war. It is for the purpose of deterring aggression and preserving the peace, therefore, that the Government of the United States feels that it must, under present circumstances, conduct nuclear tests.

Until such time as the suspension or cessation of tests is achieved, the Government of the United States would willingly cooperate with other countries in a system of registering nuclear tests with the United Nations in pursuance of the proposal co-sponsored by the Governments of Japan, Canada, and Norway at the recently concluded session of the United Nations General Assembly. In addition, the Government of the United States is hopeful that agreement can be reached on its proposal for the limited international observation of nuclear tests. In advance of such agreements, the Government of the United States has of its own accord announced its test series and invited observers from a number of countries to attend.

<sup>2</sup> *Ibid.*, Feb. 11, 1957, p. 225.

In proceeding with the Nevada tests, the Government of the United States reaffirms its pledge that these tests will be conducted under the most stringent safety precautions and without increasing world radiation to more than a small fraction of the level that could be considered biologically or medically harmful to the people of the world.

#### Japanese Note of April 29

The Chargé d' Affaires ad interim of Japan presents his compliments to the Honorable the Secretary of State and has the honor, under instructions from his Government, to refer to the announcement of the United States Atomic Energy Commission dated April 3, 1957 to the effect that nuclear tests are scheduled to begin on or about May 15, 1957 in the State of Nevada, and to forward hereby the request of the Government of Japan concerning the above tests.

With reference to the nuclear tests conducted at the Eniwetok Atoll during the period from April to July 1956, the Ambassador of Japan transmitted in his notes dated February 14<sup>3</sup> and May 4, 1956,<sup>3</sup> respectively, the request of the Government of Japan based upon the earnest and sincere desire of the Japanese people, that the Government of the United States of America suspend the tests. Furthermore, the Ambassador transmitted, with his note of March 20, 1957, the Resolution of the House of Councillors of the Japanese Diet dated March 15, 1957 requesting the cessation of all atom and hydrogen bomb tests.

As is clearly shown in those requests, the Japanese people strongly wish to see the use of atomic energy limited exclusively to peaceful purposes and the suspension of all nuclear tests. This wish is animated solely by humanitarian considerations, in view of the fact that nuclear tests, by their very nature, may expose mankind to great danger, regardless of where such tests are held.

The Japanese people feel the same apprehension and express the same earnest desire with regard to the nuclear tests scheduled to be held shortly by the United Kingdom Government at Christmas Island and also with regard to the repeated tests recently carried out without previous notice by the Soviet Union in its territory. In this connection the Government of Japan has already made strong representations to the United Kingdom and Soviet Governments that they suspend the carrying out of these tests.

The Chargé d'Affaires has further the honor to inform the Secretary that the Japanese people feel a deep concern over the nuclear tests to be conducted in Nevada after May 15 as indicated in the above-mentioned announcement of the Atomic Energy Commission, and to forward hereby the request of the Government of Japan that the United States Government would be good enough again to give its careful consideration to the desire of the Japanese people, prompted by humanitarian motives, concerning the prohibition of nuclear tests, as expressed

<sup>3</sup> Not printed.

in the repeated representations to the United States Government referred to above.

EMBASSY OF JAPAN,

Washington, April 29, 1957.

## Fees for Special Clearance on Passports Reduced

Press release 269 dated May 6

A reduction in fees for special clearance on passport applications has been announced by the Passport Office of the Department of State. These reductions are effective May 6, 1957. The fees, collected from passport applicants for special expeditious service involving wire clearance of applications, are reduced in accordance with the following schedule:

| City                    | Former fee | New fee |
|-------------------------|------------|---------|
| Boston . . . . .        | \$3        | \$2     |
| Chicago . . . . .       | 5          | 2       |
| New Orleans . . . . .   | 4          | 2       |
| San Francisco . . . . . | 6          | 2       |
| Los Angeles . . . . .   | 6          | 2       |

The new, reduced fee of \$2 for wire clearance from San Francisco and Los Angeles is applicable to urgent and priority cases only. Routine cases are handled on overnight TWX service and will continue at the present rate of \$1. The New York fee remains at \$1.

Frances G. Knight, Director of the Passport Office, attributes these reductions to economies effected through larger volume of clearances by teletype and consequent lower unit cost. This is one of the first direct savings effected in the past year to passport applicants resulting from the modernization of the Passport Office.

Designations of areas serviced by San Francisco and Los Angeles Passport Agencies have been made which permit more expeditious passport service for residents of certain Western states and the Territory of Alaska whose proposed departure from the United States is 4 weeks or less from the date upon which they apply for passports.

In facilitating the granting of passports in such cases, the Passport Agencies at San Francisco and Los Angeles have been assigned to service the following areas comprising the States of Arizona, California, Idaho, Montana, Nevada, Oregon, Utah, Washington, and the Territory of Alaska.



*San Francisco Passport Agency:* Alaska, California (all counties north of and including Monterey, Kings, Tulare, and Inyo), Idaho, Montana, Nevada, Oregon, Utah, and Washington.

*Los Angeles Passport Agency:* Arizona, California (all counties south of and including San Luis Obispo, Kern, and San Bernardino), and Nevada (Clark County only).

## Administration of Agricultural Trade Development Act

White House press release dated May 6

### WHITE HOUSE ANNOUNCEMENT

The President on May 6 signed an Executive order further providing for the administration of the Agricultural Trade Development and Assistance Act of 1954. The order amends Executive Order 10560 of September 9, 1954.<sup>1</sup>

Under the May 6 order the U. S. Information Agency is designated to use foreign currencies, accruing through sales of agricultural commodities under the act, to finance the translation, publication, and distribution of books and periodicals abroad. This use of foreign currencies is limited to \$5 million a year.

The order also authorizes the Department of State and the U.S. Information Agency to use foreign currencies, accruing under the act, to provide assistance to schools, libraries, and community centers abroad, founded or sponsored by citizens of the United States and serving as demonstration centers for methods and practices employed in the United States.

The 1956 amendments to the act authorized the use of foreign currencies for the above purposes, in addition to various other uses previously authorized.

The order also makes certain procedural simplifications, relating primarily to the allocation of foreign currencies for certain other purposes for which these currencies may be used under the act.

<sup>1</sup> BULLETIN of Oct. 4, 1954, p. 501.

### EXECUTIVE ORDER 10708<sup>2</sup>

#### FURTHER PROVIDING FOR THE ADMINISTRATION OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954, AS AMENDED

By virtue of the authority vested in me by section 301 of title 3 of the United States Code, and as President of the United States, and in order to further provide for the administration of the Agricultural Trade Development and Assistance Act of 1954, as amended, Executive Order No. 10560 of September 9, 1954, as amended, is hereby further amended as follows:

1. Section 4(a) is amended by striking therefrom "paragraphs (a) to (h), inclusive" and by inserting in lieu thereof "paragraphs (a) to (f), inclusive, and (h) to (j), inclusive."

2. Paragraph (3) of section 4(d) is amended to read as follows:

"(3) Those under section 104(c) of the Act by the Department of Defense or the Department of State, as those agencies shall agree, or in the absence of agreement, as the Director of the Bureau of the Budget shall determine."

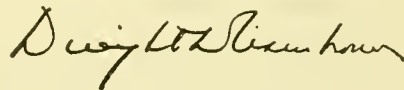
3. Paragraph (4) of section 4(d) is amended by adding at the end thereof the following:

"The amounts of foreign currencies which accrue under Title I of the Act to be used for the loans described in paragraph (g) of section 104 of the Act shall be the amounts thereof specified, or shall be the amounts thereof corresponding to the dollar amounts specified, for such loans in sales agreements entered into pursuant to section 3(a) of this order."

4. Section 4(d) is further amended by adding at the end thereof the following paragraphs:

"(7) Those under section 104(i) of the Act by the United States Information Agency.

"(8) Those under section 104(j) of the Act by the Department of State and by the United States Information Agency in accordance with the division of responsibilities for the administration of section 203 of the United States Information and Educational Exchange Act of 1948 (62 Stat. 6) provided by Reorganization Plan No. 8 of 1953 (67 Stat. 642)<sup>3</sup> and Executive Order No. 10477 of August 1, 1953,<sup>4</sup> and by subsequent agreement between the Department of State and the United States Information Agency."



THE WHITE HOUSE,  
May 6, 1957.

<sup>2</sup> 22 Fed. Reg. 3213.

<sup>3</sup> BULLETIN of June 15, 1953, p. 854.

<sup>4</sup> Ibid., Aug. 24, 1953, p. 238.

## INTERNATIONAL ORGANIZATIONS AND CONFERENCES

### Calendar of Meetings<sup>1</sup>

#### Adjourned During May 1957

|                                                                                                          |                             |                 |
|----------------------------------------------------------------------------------------------------------|-----------------------------|-----------------|
| U.N. Trusteeship Council: 19th Session . . . . .                                                         | New York. . . . .           | Mar. 14-May 16  |
| U.N. Disarmament Commission: Subcommittee on Disarmament . .                                             | London. . . . .             | Mar. 18-May 15  |
| U.N. Economic and Social Council: 23d Session . . . . .                                                  | New York. . . . .           | Apr. 16-May 3   |
| Inter-American Commission of Women: Technical Experts and Administrative Heads of Women's Labor Bureaus. | México, D. F. . . . .       | Apr. 20-May 1   |
| 9th Session of FAO International Poplar Commission; 6th Session of International Poplar Congress.        | Paris. . . . .              | Apr. 22-May 1   |
| ICAO Legal Committee: Subcommittee on Hire, Charter, and Interchange of Aircraft.                        | Madrid. . . . .             | Apr. 24-May 3   |
| 9th ILO International Conference of Labor Statisticians . . . . .                                        | Geneva. . . . .             | Apr. 24-May 4   |
| 2d European Civil Aviation Conference . . . . .                                                          | Madrid. . . . .             | Apr. 24-May 11  |
| IAEA Committee of the Whole: 2d Session . . . . .                                                        | New York. . . . .           | Apr. 25-May 3   |
| Inter-American Presidential Representatives: 3d Meeting . . . . .                                        | Washington. . . . .         | Apr. 29-May 8   |
| U.N. Economic Commission for Europe: 12th Session . . . . .                                              | Geneva. . . . .             | Apr. 29-May 15  |
| ITU Administrative Council: 12th Session. . . . .                                                        | Geneva. . . . .             | Apr. 29-May 25* |
| U.N. ECOSOC Narcotic Drugs Commission: 12th Session . . . . .                                            | New York. . . . .           | Apr. 29-May 31  |
| South Pacific Commission: Conference on the Review of the Commission.                                    | Canberra. . . . .           | Apr. 30-May 8   |
| International Commission on Irrigation and Drainage: 3d Congress .                                       | San Francisco. . . . .      | May 1-4         |
| NATO Council: Ministerial Meeting. . . . .                                                               | Bonn. . . . .               | May 2-3         |
| 10th International Cannes Film Festival. . . . .                                                         | Cannes. . . . .             | May 2-17        |
| U.N. Advisory Committee on Peaceful Uses of Atomic Energy: 6th Session.                                  | Geneva. . . . .             | May 6-8         |
| FAO Technical Meeting on Soil Fertility for Latin America . . . . .                                      | Turrialba, Costa Rica . .   | May 6-11        |
| ILO Metal Trades Committee: 6th Session. . . . .                                                         | Geneva. . . . .             | May 6-18        |
| U.N. ECOSOC Social Commission: 11th Session . . . . .                                                    | New York. . . . .           | May 6-24        |
| U.N. ECE Conference of European Statisticians: Seminar on Industrial Statistics.                         | Athens. . . . .             | May 6-31        |
| FAO European Forestry Commission: 9th Session. . . . .                                                   | Rome. . . . .               | May 7-18        |
| International Hydrographic Bureau: 7th Congress . . . . .                                                | Monte Carlo . . . . .       | May 7-18        |
| WHO: 10th World Health Assembly . . . . .                                                                | Geneva. . . . .             | May 7-27        |
| Consultations With GATT Secretariat . . . . .                                                            | Geneva. . . . .             | May 8-15        |
| Inter-American Travel Congresses: Permanent Executive Committee.                                         | Washington. . . . .         | May 10-15       |
| U.N. ECAFE Highway Subcommittee: Seminar on Highway Safety.                                              | Tokyo . . . . .             | May 13-23       |
| FAO Indo-Pacific Fisheries Council . . . . .                                                             | Bandung . . . . .           | May 13-27       |
| U.N. Economic Commission for Latin America: 7th Session . . . .                                          | La Paz . . . . .            | May 15-29       |
| International Conference for Uses of Radar in Marine Navigation .                                        | Genoa . . . . .             | May 16-19       |
| International Commission for Northwest Atlantic Fisheries: Standing Committee on Biology and Research.   | Lisbon . . . . .            | May 18-19       |
| International Commission for Northwest Atlantic Fisheries: 7th Meeting.                                  | Lisbon . . . . .            | May 20-25       |
| International Cotton Advisory Committee: 16th Plenary Meeting .                                          | Istanbul . . . . .          | May 20-28       |
| Caribbean Commission: 24th Meeting . . . . .                                                             | St. Thomas, Virgin Islands. | May 22-25       |
| FAO Study Group on Grains: 1st Meeting . . . . .                                                         | Rome. . . . .               | May 27-31       |
| U.N. ECE Housing Committee: 14th Session and Working Parties .                                           | Geneva . . . . .            | May 27-31       |
| WHO Executive Board: 20th Session . . . . .                                                              | Geneva . . . . .            | May 27-31*      |

#### In Session as of May 31, 1957

|                                                                  |                   |           |
|------------------------------------------------------------------|-------------------|-----------|
| U.N. International Law Commission: 9th Session . . . . .         | Geneva . . . . .  | April 23- |
| U.N. Trusteeship Council: 20th Session . . . . .                 | New York. . . . . | May 20-   |
| U.N. Trusteeship Council: Committee on Administrative Unions . . | New York. . . . . | May 20-   |

<sup>1</sup> Prepared in the Office of International Conferences, May 16, 1957. Asterisks indicate tentative dates. Following is a list of abbreviations: U.N., United Nations; FAO, Food and Agriculture Organization; ICAO, International Civil Aviation Organization; ILO, International Labor Organization; IAEA, International Atomic Energy Agency; ITU, International Telecommunication Union; ECOSOC, Economic and Social Council; NATO, North Atlantic Treaty Organization; ECE, Economic Commission for Europe; WHO, World Health Organization; GATT, General Agreement on Tariffs and Trade; ECAFE, Economic Commission for Asia and the Far East; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNREF, United Nations Refugee Fund; PAIGH, Pan American Institute of Geography and History; WMO, World Meteorological Organization; PIANC, Permanent International Association of Navigation Congresses; IBE, International Bureau of Education.



Calendar of Meetings—Continued

In Session as of May 31, 1957—Continued

|                                                            |                    |         |
|------------------------------------------------------------|--------------------|---------|
| Customs Cooperation Council: 10th Session . . . . .        | Brussels . . . . . | May 27— |
| ILO Governing Body: 135th Session . . . . .                | Geneva . . . . .   | May 27— |
| UNESCO Executive Board: 48th Session . . . . .             | Paris . . . . .    | May 27— |
| UNREF Standing Program Subcommittee: 5th Session . . . . . | Geneva . . . . .   | May 31— |

Scheduled June 1–August 31, 1957

|                                                                                                                                             |                          |           |
|---------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-----------|
| Inter-American Commission of Women: 12th General Assembly . .                                                                               | Washington . . . . .     | June 1—   |
| U.N. ECE Committee on Development of Trade: Working Party on Arbitration.                                                                   | Geneva . . . . .         | June 3—   |
| U.N. ECE Working Party on Transport of Perishable Foodstuffs . .                                                                            | Geneva . . . . .         | June 3—   |
| FAO Council: 26th Session. . . . .                                                                                                          | Madrid . . . . .         | June 3—   |
| UNREF Executive Committee: 5th Session . . . . .                                                                                            | Geneva . . . . .         | June 3—   |
| PAIGH Directing Council: 2d Meeting . . . . .                                                                                               | Rio de Janeiro . . . . . | June 3—   |
| ICAO Panel on Separation of Aircraft: 2d Meeting . . . . .                                                                                  | Montreal . . . . .       | June 3—   |
| U.N. ECAFE Committee on Industry and Trade: 7th Session of Subcommittee on Iron and Steel.                                                  | Bangkok . . . . .        | June 3—   |
| World Power Conference: Sectional Meeting. . . . .                                                                                          | Belgrade . . . . .       | June 5—   |
| International Labor Conference: 40th Session . . . . .                                                                                      | Geneva . . . . .         | June 5—   |
| FAO Asia-Pacific Forestry Commission: 4th Session . . . . .                                                                                 | Bandung . . . . .        | June 8—   |
| GATT Balance of Payments Consultations and Intersessional Committee Meeting.                                                                | Geneva . . . . .         | June 10—  |
| U.N. ECE Steel Committee and Working Parties . . . . .                                                                                      | Geneva . . . . .         | June 11—  |
| U.N. ECE Inland Transport Committee: Working Party on Transport of Dangerous Goods.                                                         | Geneva . . . . .         | June 11—  |
| ILO "Art and Labor" Exposition . . . . .                                                                                                    | Geneva . . . . .         | June 15—  |
| ICAO Panel on Future Requirements for Turbo-jet Aircraft: 3d Meeting.                                                                       | Montreal . . . . .       | June 17—  |
| International Commission for Criminal Police: 26th Session of the General Assembly.                                                         | Lisbon . . . . .         | June 17—  |
| U.N. ECAFE Working Party on Small-Scale Industries and Handicraft Marketing: 5th Meeting.                                                   | Madras . . . . .         | June 17—  |
| U.N. ECE: 5th Conference of European Statisticians . . . . .                                                                                | Geneva . . . . .         | June 17—  |
| WMO Commission for Instruments and Methods of Observation: 2d Session.                                                                      | Paris . . . . .          | June 18—  |
| WMO Commission for Aerology: 2d Session . . . . .                                                                                           | Paris . . . . .          | June 18—  |
| FAO Desert Locust Control: 7th Meeting of Technical Advisory Committee.                                                                     | Rabat . . . . .          | June 19—  |
| 7th Berlin International Film Festival . . . . .                                                                                            | Berlin . . . . .         | June 21—  |
| U.N. ECOSOC Coordination Committee. . . . .                                                                                                 | Geneva . . . . .         | June 24—  |
| International Rubber Study Group: 13th Meeting . . . . .                                                                                    | Djakarta . . . . .       | June 24—  |
| International Council for the Exploration of the Sea: 45th Meeting .                                                                        | London . . . . .         | June 24—  |
| International Wheat Council: 22d Session . . . . .                                                                                          | London . . . . .         | June 24—  |
| International Whaling Commission: 9th Meeting . . . . .                                                                                     | London . . . . .         | June 24—  |
| FAO Desert Locust Control Committee: 4th Session . . . . .                                                                                  | Rabat . . . . .          | June 25—  |
| ILO Governing Body: 136th Session . . . . .                                                                                                 | Geneva . . . . .         | June 28—* |
| U.N. Economic and Social Council: 24th Session . . . . .                                                                                    | Geneva . . . . .         | July 2—   |
| International Sugar Council: 13th Session . . . . .                                                                                         | London . . . . .         | July 2—   |
| Permanent International Association of Navigation Congresses: Annual Meeting.                                                               | London . . . . .         | July 8—   |
| PIANC: 19th International Congress . . . . .                                                                                                | London . . . . .         | July 8—   |
| UNESCO/IBE: 20th International Conference on Public Education .                                                                             | Geneva . . . . .         | July 8—   |
| Consultative Committee for Economic Development in South and Southeast Asia (Colombo Plan): Working Group on Asian Regional Nuclear Center. | Washington . . . . .     | July 8—*  |
| International Union of Crystallography: 4th General Assembly and International Congress.                                                    | Montreal . . . . .       | July 10—  |
| 16th International Congress of Pure and Applied Chemistry . . . .                                                                           | Paris . . . . .          | July 16—  |
| 19th Conference of International Union of Pure and Applied Chemistry.                                                                       | Paris . . . . .          | July 16—  |
| Latin American Seminar on Social Welfare Training . . . . .                                                                                 | Montevideo . . . . .     | July 20—  |
| U.N. Committee on Information from Non-Self-Governing Territories: 8th Session.                                                             | New York . . . . .       | July 22—  |
| Caribbean Commission: Conference on Demographic Problems of the Caribbean Area.                                                             | Trinidad . . . . .       | July 25—  |
| American International Institute for the Protection of Childhood: Semiannual Meeting of Directing Council.                                  | Lima . . . . .           | July 29—  |
| FAO Latin American Forestry Commission: 6th Session. . . . .                                                                                | Guatemala . . . . .      | July 30—  |
| U.N. ECAFE Working Party on Housing and Building Materials: 5th Meeting.                                                                    | Bangkok . . . . .        | July      |
| U.N. ECOSOC Technical Assistance Committee . . . . .                                                                                        | Geneva . . . . .         | July      |

**Scheduled June 1-August 31, 1957—Continued**

|                                                                                    |                                    |          |
|------------------------------------------------------------------------------------|------------------------------------|----------|
| 7th Pan American Highway Congress . . . . .                                        | Panama City . . . . .              | Aug. 1-  |
| U.N. ECAFE Subcommittee on Electric Power: 6th Session . . . . .                   | Bangkok . . . . .                  | Aug. 5-  |
| International Statistical Institute: 30th Session . . . . .                        | Stockholm . . . . .                | Aug. 8-  |
| 4th International Conference on Soil Mechanics and Foundation Engineering. . . . . | London . . . . .                   | Aug. 12- |
| Universal Postal Union: 14th Congress . . . . .                                    | Ottawa. . . . .                    | Aug. 14- |
| Economic Conference of the Organization of American States. . . . .                | Buenos Aires. . . . .              | Aug. 15- |
| U.N. ECAFE Highway Subcommittee: 4th Session. . . . .                              | Bangkok. . . . .                   | Aug. 19- |
| International Scientific Radio Union: 12th General Assembly. . . . .               | Boulder, Colorado. . . . .         | Aug. 22- |
| 7th British Commonwealth Forestry Conference. . . . .                              | Australia and New Zealand. . . . . | Aug. 26- |
| 9th International Congress on Cell Biology . . . . .                               | St. Andrews, Scotland. . . . .     | Aug. 28- |
| International Union of Public Transportation: 33d Congress. . . . .                | Hamburg and Berlin. . . . .        | Aug. 29- |
| International Geographic Union: Regional Conference. . . . .                       | Nara and Kyoto. . . . .            | Aug. 29- |
| 9th Pan American Railway Congress. . . . .                                         | Buenos Aires. . . . .              | Aug. 30- |

## U.S. Delegations to International Conferences

### International Cotton Advisory Committee

The Department of State announced on May 17 (press release 295) that the U.S. Government will be represented by the following delegation at the 16th plenary meeting of the International Cotton Advisory Committee at Istanbul, Turkey, May 20-28:

#### *Delegates*

F. Marion Rhodes, *Chairman of U.S. Delegation*, Director, Cotton Division, Commodity Stabilization Service, Department of Agriculture

Edwin Dean White, *Chairman of Standing Committee*, ICAC, Associate Director, Office of Food and Agriculture, International Cooperation Administration

#### *Alternate delegates*

Stanley Nehmer, Office of International Trade and Resources, Department of State

Robert C. Sherman, Director, Cotton Division, Foreign Agricultural Service, Department of Agriculture

#### *Government advisers*

George A. Salee, *Secretary of Delegation*, Bureau of Foreign Commerce, Department of Commerce

Francis H. Whitaker, Marketing Specialist, Foreign Marketing Branch, Cotton Division, Foreign Agricultural Service, Department of Agriculture

William E. von Seggern, Jr., Agricultural Attaché, American Embassy, Ankara, Turkey

#### *Industry advisers*

Read Patten Dunn, Jr., Director, Foreign Trade Division, National Cotton Council of America, Washington, D. C.  
Adolph Elkan Hohenberg, Hohenberg Brothers Co., Memphis, Tenn.

The purpose of the meeting will be to make a thorough review of the factors currently affecting

the consumption, production, and international trade in cotton since the 15th plenary meeting held at Washington in May 1956. The Committee is an organization designed to promote cooperation in the solution of those problems of cotton which are primarily international in their scope and significance.

Thirty-two governments are currently members of the International Cotton Advisory Committee. This Committee is the outgrowth of an international cotton meeting of the governments of 12 of the principal cotton-exporting countries held at Washington in September 1939 to provide a mechanism for observing and keeping in close touch with developments in the world cotton situation and for suggesting, as and when advisable, measures for international action in respect of cotton.

The present members of the Committee are Argentina, Australia, Austria, Belgium, Brazil, Canada, Colombia, Denmark, Egypt, Finland, France, Federal Republic of Germany, Greece, Guatemala, India, Italy, Japan, Korea, Mexico, Netherlands, Nicaragua, Norway, Pakistan, Peru, Portugal, Spain, Sudan, Sweden, Switzerland, Turkey, United Kingdom, and United States.

## Appointment to Inter-American Tropical Tuna Commission

White House press release dated May 10

President Eisenhower on May 10 appointed Arnie J. Suomela of the Fish and Wildlife Service, Department of the Interior, to be U.S. Commissioner on the Inter-American Tropical Tuna Commission, vice John L. Farley, resigned.



## TREATY INFORMATION

### Treaty of Amity, Economic Relations, and Consular Rights With Iran

Press release 296 dated May 17

Ratifications of the Treaty of Amity, Economic Relations, and Consular Rights between the United States and Iran were exchanged May 16 at Tehran. The protocol of exchange of ratifications was signed for Iran by Foreign Minister Ardalan and for the United States by Ambassador Selden Chapin. The treaty, signed at Tehran August 15, 1955,<sup>1</sup> will enter into force on June 16, 1957.

### Air Transport Consultations With Australia

Press release 291 dated May 15

Delegations of the Governments of the United States and Australia began consultations at Washington on May 15 on the air transport agreement between the United States and Australia.

The leader of the Australian delegation is Donald G. Anderson, Director-General, Department of Civil Aviation. The other members of the delegation are Jack T. Fogarty, Superintendent of International Relations, Department of Civil Aviation; I. R. Richardson, Civil Air Attaché, Australian Embassy; Capt. E. C. Johnston, International Adviser, QANTAS Empire Airways; Neil Hay, Legal Adviser, QANTAS Empire Airways; Martin Bradley, Attorney General's Department; and James C. Ingram, Second Secretary, Australian Embassy.

The United States delegation is headed by Livingston Satterthwaite, Director, Office of Transport and Communications, Department of State. Other members of the delegation are John Gordon Mein, Acting Director, Office of Southwest Pacific Affairs, Department of State; Joseph C. Watson, Chief, International Operations Division, Civil Aeronautics Board; Bradley D. Nash, Deputy Under Secretary for Transporta-

tion, Department of Commerce; Francis G. Jarvis, Officer in Charge, Southwest Pacific Economic Affairs, Department of State; John W. Perry, Aviation Division, Department of State; and John E. Stephen, General Counsel, Air Transport Association of America, who will attend as an observer.

### Current Actions

#### MULTILATERAL

##### Atomic Energy

Statute of the International Atomic Energy Agency. Done at New York October 26, 1956.<sup>1</sup>

*Ratification deposited:* Austria, May 10, 1957.

##### Aviation

Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.

*Adherence deposited:* Ghana, May 9, 1957.

##### Northwest Atlantic Fisheries

Protocol to the International Convention for the Northwest Atlantic Fisheries signed at Washington under date of February 8, 1949 (TIAS 2089). Done at Washington June 25, 1956.<sup>1</sup>

*Senate advice and consent to ratification given:* May 13, 1957.

*Ratification deposited:* Norway, May 15, 1957.

##### Postal Services

Universal postal convention, with final protocol, annex, regulations of execution, and provisions regarding air-mail and final protocol thereto. Signed at Brussels July 11, 1952. Entered into force July 1, 1953. TIAS 2800.

*Ratifications deposited:* El Salvador, April 13, 1957; Guatemala, April 18, 1957.

##### Slave Trade

Protocol amending the slavery convention signed at Geneva September 25, 1926 (46 Stat. 2183), and annex. Done at New York December 7, 1953. Protocol entered into force December 7, 1953. Annex entered into force July 7, 1955. TIAS 3532.

*Acceptance deposited:* Burma, April 29, 1957.

#### BILATERAL

##### Iran

Treaty of amity, economic relations, and consular rights. Signed at Tehran August 15, 1955.

*Ratifications exchanged:* May 16, 1957.

*Enters into force:* June 16, 1957.

##### Peru

Agreement for the establishment and operation of a rawinsonde observation station at Lima, Peru. Effected by exchange of notes at Lima April 17, 1957. Enters into force on date of signature of an arrangement embodying the technical details.

Agricultural commodities agreement under title I of the

<sup>1</sup> BULLETIN of Aug. 29, 1955, p. 367.

<sup>1</sup> Not in force.

Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454, 455; 69 Stat. 44, 721), and exchange of notes. Signed at Lima May 2, 1957. Entered into force May 2, 1957.

## **Turkey**

Agreement further supplementing the agricultural commodities agreement of November 12, 1956 (TIAS 3697). Effected by exchange of notes at Ankara April 20, 1957. Entered into force April 20, 1957.

# **DEPARTMENT AND FOREIGN SERVICE**

## **Resignations**

Robert R. Bowie as Assistant Secretary for Policy Planning and State Department representative on the National Security Council Planning Board. (For texts of Mr. Bowie's letter to the President and the President's reply, see White House press release dated May 16.)

Arthur Gardner as Ambassador to Cuba.

## **Establishment of Consulate at Sarajevo**

An American Consulate has been established at Sarajevo, Yugoslavia. The office was officially opened effective April 23, 1957, but will not open to the public until a later date.

The consular jurisdiction of the Consulate includes the People's Republic of Bosnia-Herzegovina (formerly in the Zagreb district) and the People's Republic of Montenegro (formerly in the Belgrade consular district).

# **PUBLICATIONS**

## **Recent Releases**

*For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.*

**Atomic Energy—Cooperation for Civil Uses.** TIAS 3745. 33 pp. 15¢.

Agreement, with exchange of notes, between the United States of America and Switzerland—Signed at Washington June 21, 1956. Entered into force January 29, 1957.

**Agricultural Commodities—Raw Silk Industry.** TIAS 3746. 4 pp. 5¢.

Agreement between the United States of America and Japan. Exchange of notes—Signed at Tokyo January 18, 1957. Entered into force January 18, 1957.

**Disposition of German Assets in Thailand.** TIAS 3747. 2 pp. 5¢.

Agreement between the United States of America and other governments—Signed at Bangkok January 31, 1957. Entered into force January 31, 1957.

**Surplus Agricultural Commodities.** TIAS 3748. 2 pp. 5¢.

Agreement between the United States of America and Greece, amending agreement of August 8, 1956. Exchange of notes—Signed at Athens January 8 and 25, 1957. Entered into force January 25, 1957.

**Surplus Agricultural Commodities.** TIAS 3749. 3 pp. 5¢.

Agreement between the United States of America and Iran, amending agreement of February 20, 1956. Exchange of notes—Signed at Washington January 29 and 30, 1957. Entered into force January 30, 1957.

**Financial Arrangements for Furnishing Certain Supplies and Services to Naval Vessels.** TIAS 3750. 4 pp. 5¢.

Agreement between the United States of America and Greece. Exchange of notes—Signed at Athens January 18 and 19, 1957. Date of entry into force: April 19, 1957.

**Defense—Transfer of Property at Roberts Field.** TIAS 3751. 3 pp. 5¢.

Agreement between the United States of America and Liberia. Exchange of notes—Signed at Washington April 19, 1955, and August 21 and September 22, 1956. Entered into force January 4, 1957.

**Relief Supplies and Equipment—Duty-Free Entry and Exemption From Internal Taxation.** TIAS 3752. 5 pp. 5¢.

Agreement between the United States of America and the Philippines. Exchange of notes—Dated at Manila April 29, 1954, and October 18, 1956. Entered into force October 18, 1956.

**Defense—Training of German Army Personnel.** TIAS 3753. 4 pp. 5¢.

Agreement between the United States of America and the Federal Republic of Germany. Exchange of notes—Signed at Bonn/Bad Godesberg and Bonn December 12, 1956. Entered into force December 12, 1956.

**Defense—Training of German Navy Personnel.** TIAS 3754. 4 pp. 5¢.

Agreement between the United States of America and the Federal Republic of Germany. Exchange of notes—Signed at Bonn/Bad Godesberg and Bonn December 12, 1956. Entered into force December 12, 1956.

**Defense—Offshore Procurement Program.** TIAS 3755. 22 pp. 15¢.

Agreement between the United States of America and the Federal Republic of Germany—Signed at Bonn April 4, 1955. Entered into force February 7, 1957.

**International Civil Aviation.** TIAS 3756. 11 pp. 10¢.

Protocol between the United States of America and Other Governments, amending convention of December 7, 1944—Done at Montreal June 14, 1954. Entered into force December 12, 1956.

**Emergency Relief Assistance.** TIAS 3757. 4 pp. 5¢.

Agreement between the United States of America and Haiti. Exchange of notes—Signed at Port-au-Prince December 26 and 28, 1956. Entered into force December 28, 1956.



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| No.  | Date | Subject                                                       |
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| †285 | 5/13 | Note to U.S.S.R. on travel restrictions on embassy personnel. |
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| 288  | 5/14 | Dulles: news conference.                                      |
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| 295  | 5/17 | Delegation to Cotton Advisory Committee (rewrite).            |
| 296  | 5/17 | Treaty of amity with Iran ratified.                           |
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\*Not printed.

†Held for a later issue of the BULLETIN.

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## The International Atomic Energy Agency

On December 8, 1953, before the General Assembly of the United Nations, President Dwight D. Eisenhower proposed that a world organization be formed to promote the peaceful uses of nuclear energy. This proposal received an almost unanimous favorable response from all parts of the world.

On September 20, 1956, representatives of 81 nations—the largest number ever to meet for an international conference—asssembled at U.N. headquarters in New York. Seventy of these nations, on October 26, signed the Statute of the International Atomic Energy Agency, an organization dedicated to the promotion of the peaceful uses of the atom. Ten more have since signed.

As soon as 18 nations (including at least 3 of the principal atomic powers) have ratified the Statute in accordance with their constitutional procedures, the Agency will come into being.

*The International Atomic Energy Agency*, a 12-page pamphlet, describes the background of the Agency, what it will do, its financial provisions, safeguards against diversion of assistance to military use, and protection of health and safety. The "Vocabulary of Atomic Energy" that prefaces the pamphlet defines some of the important terms in the atomic energy field.

Copies of this publication may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C., for 15 cents each.

Publication 6477

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# Bulletin

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ICIAL

WEEKLY RECORD

UNITED STATES

FOREIGN POLICY

THE DEPARTMENT OF STATE

# Bulletin

VOL. XXXVI, No. 937 • PUBLICATION 6501

June 10, 1957

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*The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.*

*Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.*

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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 19, 1955).

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# The Need for Mutual Security in Waging the Peace

*Address by President Eisenhower*<sup>1</sup>

Just 1 week ago I talked with you about our Federal budget as a whole.<sup>2</sup> Tonight I want to talk with you about one part of it: our mutual security programs. These programs are the source of military and economic strength for our alliances throughout the free world. They form, in fact, a saving shield of freedom.

Although the cost of these programs amounts to only 5 percent of the budget, I am talking exclusively about them tonight for two simple reasons:

First: In my judgment these programs do more than any other, dollar for dollar, in securing the safety of our country and the peaceful lives of all of us.

Second: They are the most misunderstood of any of the Federal Government's activities. Their nature, their purposes, their results are vitally important to all of us—but little known to many of us.

The common label of "foreign aid" is gravely misleading for it inspires a picture of bounty for foreign countries at the expense of our own. No misconception could be further from reality. These programs serve our own basic national and personal interests.

They do this both immediately and lastingly. In the long term, the ending or the weakening of these programs would vastly increase the risk of future war. And, in the immediate sense, it would impose upon us additional defense expenditures many times greater than the cost of mutual security today.

This evening it is my purpose to give you incontestable proof of these assertions.

We have, during this century, twice spent our blood and our treasure fighting in Europe, and twice in Asia. We fought because we saw, too late to prevent war, that our own peace and security were imperiled by the urgent danger, or the ruthless conquest, of other lands.

We have gained wisdom from that suffering. We know, and the world knows, that the American people will fight hostile and aggressive despotisms when their force is thrown against the barriers of freedom, when they seek to gain the high ground of power from which to destroy us. But we also know that to fight is the most costly way to keep America secure and free. Even an America victorious in atomic war could scarcely escape disastrous destruction of her cities and a fearful loss of life. Victory itself could be agony.

Plainly, we must seek less tragic, less costly ways to defend ourselves. We must recognize that, whenever any country falls under the domination of communism, the strength of the free world—and of America—is by that amount weakened and communism strengthened. If this process, through our neglect or indifference, should proceed unchecked, our continent would be gradually encircled. Our safety depends upon recognition of the fact that the Communist design for such encirclement must be stopped before it gains momentum, before it is again too late to save the peace.

This recognition dictates two tasks. We must maintain a common worldwide defense against the menace of international communism. And we must demonstrate and spread the blessings of

<sup>1</sup>Delivered to the Nation over radio and television on May 21 (White House press release).

<sup>2</sup>BULLETIN of June 3, 1957, p. 875.

liberty—to be cherished by those who enjoy these blessings, to be sought by those now denied them.

This is not a new policy nor a partisan policy. This is a policy for America that began 10 years ago when a Democratic President and a Republican Congress united in an historic declaration. They then declared that the independence and survival of two countries menaced by Communist aggression—Greece and Turkey—were so important to the security of America that we would give them military and economic aid.

That policy saved those nations. And it did so without the cost of American lives.

That policy has since been extended to all critical areas of the world. It recognizes that America cannot exist as an island of freedom in a surrounding sea of communism. It is expressed concretely by mutual security treaties embracing 42 other nations. And these treaties reflect a solemn finding by the President and by the Senate that our own peace would be endangered if any of these countries were conquered by international communism.

The lesson of the defense of Greece and Turkey 10 years ago has since been repeated in the saving of other lands and peoples. A recent example is the Southeast Asian country of Viet-Nam, whose President has just visited us as our honored guest.<sup>3</sup>

Two years ago it appeared that all Southeast Asia might be overrun by the forces of international communism. The freedom and security of nations for which we had fought throughout World War II and the Korean War again stood in danger. The people of Viet-Nam responded bravely—under steadfast leadership.

But bravery alone could not have prevailed.

We gave military and economic assistance to the Republic of Viet-Nam. We entered into a treaty—the Southeast Asia security treaty—which plainly warned that an armed attack against this area would endanger our own peace and safety and that we would act accordingly. Thus Viet-Nam has been saved for freedom.

This is one of the nations where we have been spending the largest amounts of so-called foreign aid. What could be plainer that the fact that this aid has served not only the safety of another nation but also the security of our own?

The issue, then, is solemn and serious and clear.

When our young men were dying in the Argonne

in 1918 and on the beaches of Normandy and in the Western Pacific in 1944 and at Pusan in 1950—and when the battlefields of Europe and Africa and Asia were strewn with billions of dollars' worth of American military equipment, representing the toil and the skills of millions of workers—no one for an instant doubted the need and the rightness of this sacrifice of blood and labor and treasure.

Precisely the same needs and purposes are served by our mutual security programs today, whether these operate on a military or an economic front. For on both fronts they are truly defense programs.

To the truth of this a number of thoughtful and qualified Americans have recently testified.

When the Congress last year approved the mutual security programs, I believed, as did many others, that it was time to review their whole concept. Since then, careful studies have been completed by committees of the Congress, by competent private groups, and by two public groups of leading citizens from all walks of life. All these studies unanimously agreed that these programs are vital to our national interest and must be continued.

Some important revisions in the structure of our programs were recommended by these various studies. And with the benefit of these recommendations my message to the Congress today has proposed certain changes.

The whole design of this defense against Communist conspiracy and encirclement cannot be with guns alone. For the freedom of nations can be menaced not only by guns but by the poverty that communism can exploit.

You cannot fight poverty with guns. You cannot satisfy hunger with deadly ammunition. Economic stability and progress, essential to any nation's peace and well-being, cannot be assured merely by the firepower of artillery or the speed of jets.

And so our mutual security programs today, at a cost of some \$4 billion, are designed to meet dangers in whatever form they may appear. Thus, their key purposes are three:

First: To help friendly nations equip and support armed forces for their own and our defense.

Second: To help, in a sustained effort, less advanced countries grow in the strength that can sustain freedom as their way of life.

<sup>3</sup> *Ibid.*, May 27, 1957, p. 851.



And third: To meet emergencies and special needs affecting our own national interest.

### **Military Assistance**

Examining each of these purposes briefly, I first speak of the military aspect of these programs.

This accounts for about three-fourths of their total cost—just under \$3 billion. This sum serves—indeed it belongs to—our own national defense. And to recognize that plain fact I have today requested the Congress henceforth to appropriate funds for military assistance as part of the regular budget of our Department of Defense.

Our system of collective defense unites us with all those 42 countries with whom we have defense treaties. It embraces the Organization of American States in this Western Hemisphere and defense arrangements with many Far Eastern countries like Korea and the Republic of China. It includes our readiness to cooperate in the Middle East with any free country threatened by Communist aggression and seeking our aid.

In Europe this collective effort is symbolized by NATO—the 15 countries of the North Atlantic Treaty alliance. And NATO's strength involves much more than symbols. In addition to our forces, NATO has more than 80 trained divisions, active and reserve, some 5,000 modern aircraft, 600 major naval vessels. Here, as elsewhere throughout the world, our allies provide manpower, resources, and bases, while we help with weapons and military training.

Here again we see in the most concrete and practical way how collective effort and collective security serve our own national good. For our Nation to try, completely alone, to counter the Communist military threat would be not only more hazardous strategy; it would also be far more costly.

It would demand many billions of dollars more in defense expenditures. It would mean raising the draft calls throughout our land. It would mean more of our sons in uniform. It would mean longer service for them.

And even if we did all these things—and I do not hear the critics of mutual security publicly proposing such alternatives—even then we would finally provide a defense inferior in strength to the collective defense we share with our allies today.

Around the world we have provided our allies, over the past 7 years, some \$17 billion in direct military assistance. Over the same period, the defense budgets of our allies have totaled some \$107 billion.

Let us see what this united effort has achieved in 8 years. In 1950, the strength of our allies totaled 1,000 combat vessels, 3.5 million men in their ground forces, and 500 jet aircraft. Now, in 1957, they have 2,500 combat vessels, 5 million men, and 13,000 jets.

Within this worldwide program our own contribution is vital. There are free countries in danger which, if thrown back completely on their own resources, would have to cut their armed forces. They would at once become targets for renewed Communist pressures. We would have to increase our own military strength, and in the process we would suffer in terms of both cost and security. And the endangered nations would suffer a slow strangulation quite as fateful as sudden aggression.

These are the harsh and inescapable facts of international life in this mid-twentieth century. We must face these facts and act accordingly—or face, instead, ultimate disaster as a people.

### **Economic Aid**

Now let us look at mutual security on the economic front. The peril here can be just as great to us as in the military arena.

Today in many countries one billion free people, across three continents, live in lands where the average yearly income of each man is \$100 or less. These lands include the 19 nations that have won their independence since World War II. Most of them are on the frontier of the Communist world, close to the pressure of Communist power. For centuries the peoples of these countries have borne a burden of poverty. Now they are resolved to hold on to political independence, to achieve the economic strength to sustain that independence, and to support rising standards of living.

In these lands no government can justly rule, or even survive, which does not reflect this resolve, which does not offer its people hope of progress. And wherever moderate government disappears, Communist extremists will extend their brand of despotic imperialism.

Our own strength would suffer severely from

the loss of these lands—their people and their resources—to Communist domination. As these lands improve their own standards of living, they will be stronger allies in defense of freedom. And there will be widening opportunity for trade with them.

We seek to help these people to help themselves. We cannot export progress and security to them. Essentially, they must achieve these for themselves. But there are practical ways by which we can help, especially in the early struggles of these young nations to survive.

For one thing, they need the knowledge of skilled people—farm experts, doctors, engineers—to teach new techniques to their people. Our program of technical cooperation aims to do this. It will cost \$150 million next year.

At the same time, because their inherited poverty leaves these peoples so little for saving, they need the help of some capital to begin essential investment in roads, dams, railroads, utilities—the sinews of economic strength.

Already many of these countries, like India and Pakistan, are with great difficulty devoting substantial amounts of their limited resources to this kind of long-range investment. But at this critical moment of their economic growth a relatively small amount of outside capital can fatefully decide the difference between success and failure. What is critical now is to start and to maintain momentum.

While we want and intend to see that private investors and other lending agencies supply as much as possible of this outside capital, our development assistance program under mutual security has a vital role to play. Here I am convinced that we should rely more upon loans than upon gifts. This is the sound and proper way for free allies to work together—to respect and to encourage the pride of each nation, to inspire in each nation greater zeal and sense of responsibility, to encourage thoughtful long-term planning rather than frantic emergency action.

This outlook signifies a fundamental shift of emphasis from the practice of past years. I have accordingly asked the Congress to create a development loan fund with enough capital to allow orderly and continuing operations. Only this kind of sustained operations will allow for the prudent and thoughtful use of money. Only such operations will assure priority to the most sound and necessary projects.

To assure this continuity and coherence of action, I have specifically requested for the first year \$500 million already in the budget and authority for \$750 million for each of the 2 succeeding years.

In this whole program, we do not seek to buy friends. We do not seek to make satellites. We do seek to help other peoples to become strong and stay free—and learn, through living in freedom, how to conquer poverty, how to know the blessings of peace and progress.

This purpose, I repeat, serves our own national interest.

It also reflects our own national character. We are stirred not only by calculations of self-interest but also by decent regard for the needs and the hopes of all our fellowmen. I am proud of this fact, as you are. None of us would wish it to be otherwise.

This is not mere sentimentality. This is the very nature of America, realistically understood and applied.

If ever we were to lose our sense of brotherhood, of kinship with all free men, we would have entered upon our Nation's period of decline. Without vision, without a quick sense of justice and compassion, no people can claim greatness.

#### **Meeting Emergencies and Special Needs**

There remains, in addition to continuing defense and economic aid, a final aspect to our mutual security programs. This entails assistance to meet various special needs, including sudden crises against which prior planning is impossible. Such crises generally demand the swiftest action.

We have seen several such examples in recent years.

In the Middle East, the freedom of Iran only 4 years ago was threatened by the rule of a government inclined toward communism. Under the courageous leadership of the Shah, the people of Iran met that danger. In their effort to restore economic stability, they received indispensable help from us. Iran remains free. And its freedom continues to prove of vital importance to our own freedom.

In our own hemisphere, Guatemala not long ago faced a similar peril, with heavy Communist infiltration into the government. Here, too, the people rose to repel this threat, but they needed—



and they received—the help without which their efforts could have been in vain.

Most recently we have witnessed a like instance in the Middle East. The Kingdom of Jordan came under the sway of a succession of cabinets, each one seemingly more tolerant of Communist infiltration and subversion. King Hussein has acted swiftly and resolutely to forestall disaster, and the peril now seems checked.

Yet this victory would surely be lost without economic aid from outside Jordan. Jordan's armed forces must be paid. The nation's utilities must function. And, above all, the people must have hope.

Some necessary aid can come from neighboring Arab countries, such as Saudi Arabia, but some also must come from the United States. For the security of Jordan means strength for all the forces of freedom in the Middle East.

Now, you have undoubtedly heard charges of waste and inefficiency in some of these programs of assistance, such as that in Iran. I do not doubt that isolated incidents could be cited to support such charges.

On this I have two convictions:

First: The remarkable truth is not that a few Americans working abroad may have been inefficient but that so many thousands of patriotic Americans have willingly and competently done their jobs in distant lands, under the most difficult conditions, often in the presence of real danger.

And second: When we speak of waste, let none of us forget that there is no waste so colossal as war itself—and these programs are totally dedicated to the prevention of that most appalling kind of waste.

All such situations—as in Iran, Guatemala, Jordan—have been tense moments in the world struggle. Each such moment has vitally touched our own national interest.

I have asked the Congress for the sum of \$300 million to enable us to act, and to act swiftly, in any such moment as it may strike. Only such part of that sum will be used as is clearly needed to serve our national interest. But the history of these years surely means one thing: To give saving help at such moments is true economy on a world scale, for it can mean the saving of whole nations and the promotion of peace.

### Putting First Things First

These, then, are the kinds of help and action that make up our mutual security programs, for which I have asked the Congress to appropriate less than \$4 billion—one-twentieth of our national budget.

This is not a mathematical guess or an arbitrary sum. It reflects economies already achieved in some aspects of military aid. It is a reasoned figure. And, considering the issues at stake, it is a minimum figure.

I know of no more sound or necessary investment that our Nation can make. I know of no expenditure that can contribute so much, in the words of the Constitution, to our "common defense" and to securing the blessings of liberty for ourselves and our posterity.

To see all the day-to-day results of these programs in concrete terms is not always easy. They operate in distant lands whose histories, even their names, seem remote. Often the results are not swift and dramatic but gradual and steady. They operate in a way rather like police or fire protection in our own cities. When they are least in the news, they are really doing the most effective work.

We live at a time when our plainest task is to put first things first. Of all our current domestic concerns—lower taxes, bigger dams, deeper harbors, higher pensions, better housing—not one of these will matter if our Nation is put in peril. For all that we cherish and justly desire, for ourselves or for our children, the securing of peace is the first requisite.

We live in a time when the cost of peace is high. Yet the price of war is higher and is paid in different coin—with the lives of our youth and the devastation of our cities.

The road to this disaster could easily be paved with the good intentions of those blindly striving to save the money that must be spent as the price of peace.

It is no accident that those who have most intimately lived with the horrors of war are generally the most earnest supporters of these programs to secure peace.

To cripple our programs for mutual security in the false name of "economy" can mean nothing less than a weakening of our Nation.

To try to save money at the risk of such damage is neither conservative nor constructive. It is

reckless. It could mean the loss of peace. It could mean the loss of freedom. It could mean the loss of both.

I know that you would not wish your Government to take such a reckless gamble. I do not intend that your Government take that gamble.

I am convinced of the necessity of these programs of mutual security—for the very safety of our Nation. For upon them critically depends all that we hold most dear—the heritage of freedom from our fathers, the peace and well-being of the sons who will come after us.

## Mutual Security Program for 1958 Presented to Congress

### MESSAGE OF PRESIDENT EISENHOWER<sup>1</sup>

*To the Congress of the United States:*

The safety of our country, the preservation and strengthening of world peace, the minimizing of risk to American lives and resources in future years, all imperatively demand that we hold fast in our worldwide collective security effort.

In supplementing our country's defense, the tested and proven mutual security programs give the American people more security per dollar invested than any other expenditure they make.

In our most important task of all—the waging of peace—these programs lay firmer foundations than any other effort of our country.

For almost a decade every objective analysis has supported these views. This past year they have been convincingly reaffirmed. Congressional committees, the executive branch, and distinguished private citizens have just examined these programs anew. On two fundamentals these groups have unanimously found—

First, that both the military and economic elements of our mutual security programs are essential to the security of the American people and to world peace.

Second, that these programs will continue for some years to come to be indispensable to the attainment of our country's goals in the world.

These recent studies again substantiate that these programs—

Strengthen our own defenses;

Advance our own interests through the stimulation and growth of the economies of less developed countries; and,

Provide a necessary, powerful weapon with which to meet political and economic crises abroad that endanger our own vital interests.

Our grave responsibility, therefore, in this session of the Congress, is not only the continuance of these programs but also their continuance at a level dictated by the dangers we face—and the opportunities we have to counter them.

The recent studies have also generally agreed that these programs will be strengthened by a clearer identification of their principal elements with their purposes. I shall first refer to these elements of the programs and then discuss specific changes which I ask the Congress to adopt to improve their effectiveness.

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First is defense assistance—our and other free nations' common effort to counter the Soviet-Chinese military power and their drive to dominate the world. That power continues to grow—in armaments, in nuclear capability, in its economic base. The Communist goal of conquering the world has never changed.

For our Nation alone to undertake to withstand and turn back Communist imperialism would impose colossal defense spending on our people. It would ultimately cost us our freedom.

For other free nations to attempt individually to counter this menace would be impossible.

We in our own interest, and other free nations in their own interest, have therefore joined in the building and maintenance of a system of collective security in which the effort of each nation strengthens all. Today that system has become the keystone of our own and their security in a tense and uncertain world.

<sup>1</sup> H. Doc. 182, 85th Cong., 1st sess.; transmitted on May 21.



Only if truly mutual—with mutual acts building mutual strength—can this system of collective security succeed.

On our part, in addition to our own forces at home and abroad, we provide military equipment and training for many countries as well as economic assistance to some to supplement their support of enlarged forces required in the common defense.

On their part, friendly nations man their forces and, in most cases, provide the greater part of their direct financial support. These nations also provide strategic sites for our own as well as their air, ground, and naval forces—sites essential to our combined capacity to deter aggression and defend our homelands.

In the last 8 years this Nation has furnished direct military assistance to these nations' forces in an amount approximating \$17 billion. In the same period free world nations have put \$107 billion into their own and the common defense.

Through this \$17 billion we have helped develop and equip a free world strength of 200 divisions of friendly military forces.

They have some 27,000 aircraft.

They operate some 2,500 active combatant naval vessels.

This assistance which we have furnished and are furnishing our friends increases their ability to defend themselves against subversion from within and aggression from without.

It substantially strengthens the security of the United States.

By helping to stabilize world affairs, it heightens the prospects for a just and lasting peace.

This collective security effort has proved its value to the protection of America and the prevention of war. I give here a few of the historical incidents in which failure to give aid could have meant ultimate disaster for our country and world peace.

Had it not been for American assistance in 1947, Greece and Turkey would have succumbed to Communist power.

Had it not been for our assistance since 1948, the determination of Yugoslav leaders and people to develop their nation independently of Moscow might not have survived.

Had it not been for our assistance in 1954, strategic Vietnam and southeast Asia would probably be lost today to the free world.

Today in Korea and Free China our assistance

helps preserve national will and independence under the very muzzles of Communist guns.

Today in the Middle East our assistance helps to preserve the integrity of one of the most vital regions in the world as well as the independence of some of the nations in that area.

At this very time, when our prior efforts are bearing good fruit, while Soviet intrigue and power continue their probing and pressure in every critical area in the world, it would be supreme folly for our country either to stop these efforts or to cripple them through an overweening zeal to scrimp at their expense.

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The second major element of our mutual security programs is economic development assistance and technical cooperation.

This part of the programs helps less developed countries make the social and political progress needed to preserve their independence. Unless these peoples can hope for reasonable economic advance, the danger will be acute that their governments will be subverted by communism.

To millions of people close to the Soviet and Chinese Communist borders political freedom is still new. To many it must still prove its worth. To survive it must show the way to another and equally essential freedom—freedom from the poverty and hopelessness in which these peoples have lived for centuries. With their new freedom their desire and their determination to develop their economies are intense. They are fixed upon raising their standards of living. Yet they lack sufficient resources. Their need for help is desperate—both for technical know-how and capital.

Lacking outside help these new nations cannot advance economically as they must to maintain their independence. Their moderate leaders must be able to obtain sufficient help from the free world to offer convincing hope of progress. Otherwise their peoples will surely turn elsewhere. Extremist elements would then seize power, whip up national hatreds, and incite civil dissension and strife. The danger would be grave that these free governments would disappear. Instability and threats to peace would result. In our closely knit world, such events would deeply concern and potentially endanger our own people.

The help toward economic development that we provide these countries is a means to forestall such crises. Our assistance is thus insurance

against rising tensions and increased dangers of war, and against defense costs that would skyrocket here at home should tragedy befall these struggling peoples.

These revolutionary developments in distant parts of the world are borne on the crest of the wave sent out a century and a half ago by the example of our own successful struggle for freedom. The determination of the people of these nations to better their lot and to preserve their newly gained liberty awakens memories of our own noblest traditions. Our helping hand in their struggle is dictated by more than our own self-interest. It is also a mirror of the character and highest ideals of the people who have built and preserved this nation.

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The third major element of the mutual security programs is the special—often emergency—assistance we provide to help friendly nations through critical periods when violent political change, natural disaster or other circumstance threaten both their stability and our own national interests.

In 1953, strategically located Iran, under an erratic leader, verged on communism and chaos. The Iranians succeeded in establishing a government friendly to us and freedom. Our assistance gave them the additional strength needed to stabilize their nation and to consolidate their victory over violence and subversion.

Similar aid to Guatemala enabled republican government to survive there after a pro-Communist regime was overthrown in 1954.

In the many unstable regions of the world, Communist power is today probing constantly. Every weakness of free nations is being exploited in every possible way. It is inevitable that we shall have to deal with such critical situations in the future. In America's own interest, we must stand ready to furnish special assistance when threatened disaster abroad foretells danger to our own vital concerns.

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The major elements of our mutual security programs are therefore still as urgently needed for our own security as ever before. But, as others have recently urged, I believe that these elements should be more clearly defined in order to facilitate more efficient and more economical adminis-

tration. I recommend four specific changes in existing programs:

First, defense assistance programs should be separated from programs for economic development.

Second, defense assistance should be recognized and treated as an integral part of our own worldwide defense efforts.

Third, economic development assistance should be provided primarily through loans, on a continuing basis, and related closely to technical assistance.

Fourth, needs for special economic assistance should be met by funds authorized and appropriated specifically for this purpose.

To accomplish these purposes I recommend the following legislative actions:

First, I recommend that defense assistance, both military assistance and related economic support, be separated from economic development assistance.

We spend the largest part of our mutual security funds to strengthen friendly military forces through the use of two types of defense assistance:

One is military assistance—that is, guns, ammunition, tanks, planes, ships, and other weapons which we furnish to military allies, plus training in the use of such weapons.

The other is defense support. Although superficially economic in purpose, this assistance enables friendly nations to maintain military forces and provide military facilities substantially greater than they could otherwise support.

The present arrangement of our mutual security programs does not clearly differentiate defense support assistance from economic development assistance. Until now, both military and defense support assistance have been joined with development assistance in one appropriation measure. In the process, economic development assistance for countries with which we have military assistance agreements has tended to lose its identity.

To remove uncertainty as to the character and purpose of our aid, I recommend a clear separation of military and defense support assistance on the one hand, from economic development assistance on the other. The program being submitted to the Congress provides for this separation.



The second legislative action I propose is this: That defense assistance appropriations be included as a separate title in the regular Department of Defense budget.

Our expenditures for defense assistance differ neither in basic purpose nor character from those for our own Armed Forces. Once incorporated in our own Defense budget, they will become recognized here and abroad—as indeed they should be—as part of the military effort of the United States. To assure a continuing close coordination of all elements of the entire program, I also propose that these funds be appropriated to the President.

I recommend also that appropriations for both military assistance and defense support be pursuant to a continuing authorization enacted by the Congress. This would fittingly recognize that our own security requires continuance of these parts of our own military effort as long as Communist imperialism remains a menace to free peoples. This would also enable the Congress to consider simultaneously appropriations both for our own Armed Forces and for assistance to friendly forces. In this way, these two interrelated elements of our military budget can be better integrated and balanced, and the effectiveness of both increased. I recommend also that these defense assistance funds be authorized as our own military procurement funds are authorized, whether this be on the present basis—available until expended—or as it may be modified in the future. Policy guidance for both military assistance and defense support would, of course, be effected by the President through the Secretary of State.

For these two types of defense assistance programs in fiscal year 1958 I recommend appropriations totaling \$2.8 billion in a separate title of the Department of Defense appropriation. Of this sum, \$1.9 billion will be for military equipment and services. The remaining \$900 million will be for defense support.

As a third major legislative action, I recommend that long-term development assistance be provided from a Development Loan Fund.

Our assistance to less developed countries can add only in limited degree to their own resources. Nevertheless, if so provided as to encourage these peoples to help themselves more than they can now, it can make a critical difference.

This objective requires a clear statement of our intention, in our own national interest, to help the people of less developed countries in their efforts to develop their economies. It requires also a greater assurance of continuity.

Development assistance programs are managed as effectively and economically as possible under the present system but suffer from major difficulties. One is that the present law makes funds available only from year to year with no assurance of continuity. Obviously, sound economic development is not a year-to-year undertaking but a continuing process. Another difficulty is closely related. Under present law funds are requested each year on the basis of estimated country programs. This leads to the establishing of levels of aid for each country that have to be prematurely formulated. Thereafter they become difficult to change without risking misunderstanding on the part of the countries we help.

In addition, even the personnel needed to administer these programs, most of whom must be highly skilled technically, cannot be assured of more than short terms of employment. This makes it exceedingly difficult to recruit and to hold good personnel.

Countries seeking and meriting our help should take increasing responsibility for carefully planning the projects which they need and can justify. It is no less important that our aid be geared to these projects and that our continued assistance be related to the progress being made in carrying out these projects.

That there may be greater continuity, efficiency and economy, and other nations encouraged to greater self-help, I recommend that the Congress establish a Development Loan Fund to finance specific projects and programs which give promise of contributing to sound development. This fund would be used not for short-term emergency requirements but for economic development of long-term benefit to the borrowing country.

I visualize that assistance from this fund would be provided essentially on a loan basis. Such loans should not compete with or replace such existing sources of credit as private investors, the International Bank, or the Export-Import Bank.

These loans should be made on a reasonable expectation of repayment in dollars or local currencies, even though we should recognize that this expectation would be based on confidence in the

long-range development of the borrowing country and on hope for an improved international political climate rather than on presently demonstrable financial soundness.

The fund would closely coordinate its operations with existing lending institutions. It could directly and independently provide financing or do so in conjunction with such institutions. A major purpose would be to promote—not impede—the flow of private investment, and to this end the fund should have authority to engage in appropriate financing operations. Properly operated, it should increase sound activity by these other sources of credit and investment.

In order to avoid needless administrative duplication and to assure coordination with our foreign policy objectives, I believe the fund should be established and administered in the International Cooperation Administration.

To achieve its objective, the fund should initially command sufficient resources to finance its operations during the coming 3 fiscal years. Only thus can we break away from the advance country programing and other operating practices which now encumber and complicate the administration of development assistance. Lacking such assurance of continuity, the fund would be little more than a new name for continuing, with minor improvement, the present practices.

I ask the Congress, therefore, for an initial appropriation for fiscal year 1958 and also for authority for the fund to borrow from the Treasury in succeeding years, within stated limits. Such borrowing authority has been used to finance many other United States lending operations. I believe this financing mechanism is well suited to the character of the fund.

In order to get the fund under way in its first year, not less than \$500 million should be appropriated—an amount which is included in the total request for new funds later presented in this message. I anticipate a substantial increase in sound requests for assistance in the following 2 years, as countries' development programs move forward. I therefore expect the fund to require capital of \$750 million in each of the fiscal years 1959 and 1960.

In order to accomplish the purposes of the fund, sufficient capital must be provided now. To create a fund for long-term economic development while denying it the means to succeed would be to

deceive ourselves, discourage our friends, and dissipate our money.

The technical cooperation program is one of the most valuable elements of our entire mutual security effort. It also should be continued on a long-term basis and must be closely related to the work of the fund. I therefore propose that the Congress authorize technical cooperation on a continuing basis while continuing to appropriate funds on a yearly basis as is done now. For fiscal year 1958 I request an appropriation of \$152 million for this program.

"Special assistance" I recommend be established as a separate category of aid to serve three major purposes:

First, to provide, primarily by grant, economic assistance to meet needs of importance to our country which cannot be properly met by the basic types of assistance.

Second, to meet unforeseen additional military or other requirements above the funds programmed and requested. This I expect to be of particular importance during the initial year of the revised program.

Third, to be prepared to meet emergencies and contingencies that require waiver of certain restrictive legal provisions to protect the Nation's security interests. I request authority to waive these restrictions on the use of appropriated funds in the same amount as now provided. Part of the additional needs in the Middle East which I discussed before the Congress last January<sup>2</sup> will be provided from such special assistance.

For these three purposes of special assistance—for which appropriations should be made annually—I request \$300 million of new funds for fiscal year 1958. This sum includes \$100 million to cover already anticipated requirements and \$200 million for reserve and contingencies.

I should like to note especially one of these anticipated requirements. I refer to a program—malaria eradication—which will appear separately in the bill proposed to the Congress but will be financed from the special assistance fund.

Malaria is today the world's foremost health problem. Each year it attacks 200 million people, bringing death to 2 million and causing enormous suffering and economic loss in many areas. Today it is practicable to end this scourge in large areas

<sup>2</sup> BULLETIN of Jan. 21, 1957, p. 83.



of the world. I propose that the United States join with other nations and organizations which are already spending over \$50 million a year on antimalaria activities. In 5 years these activities are expected to eradicate this disease.

In addition to the programs already discussed, \$113 million is required for multilateral programs, the program for peaceful use of the atom, and the administration of the nonmilitary programs.

It is especially important to continue our contributions to United Nations and other international programs in the fields of technical cooperation, assistance to refugees and migrants and children's welfare. These contributions, augmented by the contributions of other nations, will enable these organizations to continue their valuable work. I believe participation of the United States in these endeavors should be continued at substantially the present level. I also request continuance of our program to assist escapees from Communist despotism.

Before the United Nations General Assembly in December 1953, the United States first offered to assist other countries and to share with them its technology in the peaceful application of atomic energy. Our mutual security programs for fiscal year 1958 include additional funds to implement this offer by providing assistance in financing research reactors, other equipment and services to the growing number of countries engaged in peaceful nuclear activities.

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The total request for new funds for fiscal year 1958 is \$3.865 billion, a sum \$535 million less than estimated in my budget message last January.<sup>3</sup> Nearly all of that reduction is made possible by savings in the military assistance program in an amount of \$500 million, which, if carried over, can be used to meet program needs of fiscal year 1958. This sum is not deferred spending but a real saving. These savings are largely attributable to a reduction in spare parts requirements based on experience in the actual use of our equipment by the forces we are assisting, reduced needs resulting from better planning with our allies, and a continuing improvement of the administration of the program. I ask that this \$500 million be carried over to fiscal year 1958.

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We are—all of us—seeking to cut the cost of

government. All of us want taxes reduced when possible without injury to our country.

There is, however, only one sound way for us to achieve a substantial tax reduction. That way is to succeed in waging peace, thereby permitting a substantial cut in our heavy military expenditures. A substantial cut in these expenditures, in the face of present world conditions, would be foolhardy.

Similarly, and for the same reason, refusal to give adequate support now for our crucial mutual security programs could hardly be more ill-advised or ill-timed. It would risk not only the ultimate attainment of the tremendous military savings to which we all aspire; by encouraging aggression and discouraging our friends, it would also risk forcing our own defense spending to a level far higher than it is today. In this kind of a gamble, American lives are just as much in the balance as American dollars.

The Congress must also weigh these facts:

First, a substantial cut in defense assistance would force a reduction in the strength of Allied forces. Thereby the risk of local Communist aggression would be increased. In order to forestall that, we would have to expand our own forces and station more of our youth abroad, or else supinely accept Communist expansion at the expense of the free world. I need hardly point out that such a procession of events would sooner or later force an increase in the number of young men inducted into our forces as well as a substantial increase in our own defense cost.

And second, we simply cannot afford to blight the hopes of the newly independent peoples who turn to the free world for help in their struggle for economic survival. Should we do so, these peoples will perforce be driven toward Communist or other totalitarian solutions to their problems.

I know of no precise relation between economic well-being and responsible political development. Yet continued poverty and despair are conditions that will foredoom moderate political life in these countries. If the best that these free governments can offer their peoples is endless hopelessness and grinding poverty, then these governments will surely fall. Certain it is that our peace, our political freedom, and our prosperity

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<sup>3</sup> For excerpts from the President's budget message, see *ibid.*, Feb. 4, 1957, p. 163.

would not long survive the sweep of Communist despotism over these new nations.

Failure to provide adequate funds to help these struggling nations move forward could well become tragically expensive to every citizen in our country.

Our mutual security programs have become, during the past 10 years, proven instruments of tremendous power for winning our struggle for peace. The proposals I have made for their improvement stem equally from the legislative and the executive branches. I urge the Congress to join with me in giving these programs the strength which the present and future security of our Republic requires.

DWIGHT D. EISENHOWER

THE WHITE HOUSE, May 21, 1957.

#### STATEMENT BY SECRETARY DULLES<sup>1</sup>

I have come before you to discuss the authorization which we are requesting for our future mutual security programs.

As noted by the Senate Special Committee [To Study the Foreign Aid Program], the money we spend abroad is not on a single program. So-called "foreign aid" is a term that is given to several quite distinct programs. Each of these is addressed to different purposes. Each employs separate means. Each must be considered on its own merits. It is to these distinctive programs that I address myself.

I shall try in each case to tell what foreign-policy purpose the program serves. I shall explain how the executive branch believes that these purposes can, in the next fiscal year, be better defined and better served.

There are, in essence, four major programs:

First, the mutual defense assistance program, which provides weapons and military equipment and economic support for allied military forces and facilities;

Second, the development assistance program, which helps free countries achieve economic growth;

Third, the related technical assistance program, through which we share our skills with these countries;

Fourth, the special assistance programs,

through which we meet particular needs and emergencies that cannot be met by the three preceding programs.

#### Mutual Defense Assistance

I do not have to review with you the magnitude of the Soviet and Chinese Communist military threat or the fact that no free country can obtain adequate security through its own resources alone. This fact has led to the creation of a collective security system which binds us and 42 other free countries in a common defense against a common peril.

Since 1950 we have provided around \$17 billion in military equipment plus supporting economic assistance to our allies' military programs. During this same period our allies have spent over \$100 billion for defense, *and* they have provided manpower for the armed forces of the free world, *and* they have provided sites for highly valuable bases for our and their forces.

*Without our assistance* these allies' military programs could not have been carried out. *With these programs* we are enabled to spend far less on our own military programs—and to achieve far greater security—than would otherwise be the case.

Collective security is truly a case in which the whole is greater than the sum of the parts. And the instrument which creates the whole out of these parts is our mutual defense assistance program.

This program consists of two elements:

First, the provision of military equipment to friendly forces. This is what, in the past, has usually been called military aid.

Second, economic aid given to allied countries to compensate their economies for contributions made to the common defense when these countries cannot unaided make the contribution judged necessary. Many of the less-developed countries, such as Korea, Formosa, and Viet-Nam, cannot maintain the desired forces without some outside help, and sometimes the provision of essential facilities for the common defense involves burdens for which compensation is appropriate.

In the past much, but not all, of this aid has been called defense support. But the phrase has also been used to include assistance to some of these same countries for other purposes, such as economic development.

<sup>1</sup> Made before the Senate Foreign Relations Committee on May 22 (press release 310).



This labeling produced misunderstanding both at home and abroad. We believe that what in the past has been called defense support should hereafter be confined to what is distinctly given to enable a country to provide an effective military contribution. Development assistance to stimulate economic growth should be dealt with separately.

For fiscal year 1958 we are asking for \$1.9 billion for the provision of weapons and military equipment and \$900 million for true defense support. This totals \$2.8 billion. It is approximately three-fourths of what we are asking the Congress to appropriate for all the mutual security programs.

Both these types of defense assistance, military equipment and support, have more in common in point of purpose with other elements of our own defense program than they do with other types of foreign aid. They contribute to and maintain our military security just as expenditures for our own forces do.

That is why the President has recommended that defense assistance should be recognized and treated as an essential element of our own worldwide national defense effort. To do this effectively, he requests that appropriations for military assistance and for related defense support should now be so authorized that hereafter they may be included as a separate part of the regular appropriations for the Department of Defense. Both would continue under the policy guidance of the President and the Secretary of State.

Requirements for defense are substantial, but they are necessary. We are, of course, actively seeking a sound and safeguarded basis for reciprocal reductions of armaments, which weigh heavily upon our country, the Soviet Union, and indeed nearly all nations.

It is not easy to reach such an agreement. Experience has demonstrated that agreements with the Communists are not dependable so long as they are merely based upon paper accords. Good faith is not a factor which can be relied on to assure continued adherence by Communists to the terms of an agreement. Therefore the free nations cannot safely reduce their military strength merely in reliance upon promissory agreements by the Soviet rulers to reduce correspondingly. We do not, and will not, rely upon Soviet promises alone. There must be adequate means to verify

performance and to gain increased protection for the free world against surprise attack. We do seek an agreement that will be in the mutual interest of the parties, an agreement that would decrease the danger of war.

We find it hard to believe that the Soviet rulers will not in their own self-interest eventually accept such mutual supervision and control as will permit of lightening the burden of armament and will provide to both sides a better prospect for a just and durable peace.

We do not know today whether the Soviet leaders consider that the benefits of an armaments agreement justify their submitting to a system of adequate inspection. But even on the most hopeful estimate the first steps of armaments reductions will have to be carefully calculated and carefully taken. It would be folly now, in the absence of a safeguarded agreement for the inspected reciprocal reduction of armaments, to weaken in any manner the collective security system which provides the greatest deterrent against aggression at the least cost.

### **Economic Development**

I turn now to the economic development aspect of mutual security.

We propose the establishment of a development loan fund to assist the economic development of other independent nations. The Senate special committee has found that this "is in the interest of the United States." This statement is particularly, though not exclusively, applicable to 19 new nations which have come into existence since the end of World War II. These nations contain nearly a third of the world's population. Most of them are close to the Soviet-Communist China bloc. They are nations where poverty is age-old. The per capita annual income of most of the peoples of these nations is well below \$100 a year. Their food production is at levels of bare subsistence inadequate for hard productive work.

It is important to us that the people of these nations should remain free, that their strategic lands should not fall under Communist control, that their resources should be available to their own people and in commerce with other free nations.

For generations these people have fatalistically accepted stagnation. But now their mood is different. Two intense emotions now grip the

peoples of these new nations. The first is a desire to maintain and strengthen their newly won political freedom. The second is a determination to raise their pitifully low standards of living and get started quickly on the inevitably long road to economic betterment.

But the obstacles to growth are substantial. There is a shortage—sometimes an absence—of technicians. The governments are inexperienced. With incomes at the barest subsistence levels, very little can be saved and invested. Without outside help, the prospects of economic growth are indeed very slim.

These people are determined to move forward. If they do not succeed, there will be increasing discontent which may sweep away their moderate leaders of today and bring to power extremist leaders who will resort to extremist measures fostered by international communism.

Today hundreds of millions in these countries seek the answer to this simple question: Do political independence and freedom mean economic growth? If these peoples do not feel that in freedom they get growth, then freedom will be on its way out in much of the world.

It is in our interest to help to demonstrate that freedom and growth go hand in hand. That is the conclusion of your special committee, as it is of the President.

The question then becomes, what is the most economical and effective way to do this?

The recommendation of the President and the conclusion of your own special committee is that this should be done through the establishment of a development loan fund.

How should such a fund work?

For the past few months the executive branch has given lengthy and detailed study to many aspects of this question. We have had advice from many quarters. We have reached a number of conclusions. These conclusions are sufficiently firm, detailed, and well-founded to make us feel that the fund should be founded now, without another year's delay.

What are some of the essentials?

*First*, the recognized purpose of the fund should be to assist the less-developed free countries to get economic growth under way.

*Second*, the fund would operate on terms of repayment. A substantial part of its activities should be in loans, but it should also be em-

powered to use other banking and financing arrangements, such as credits and guaranties, in carrying out its purposes. It could not, however, make grants. Its loans would be made available on repayment terms less rigid than those of existing institutions. Repayment could be in foreign currencies as well as dollars, and interest could be waived or suspended.

The fund would primarily be an instrumentality of foreign policy and as such take greater financial risks than those acceptable to existing institutions. The fund's expectations of repayment would be based, however, on confidence in the long-range future of the nation it is helping. If the fund achieved its object, as I believe it would, then confidence would prove justified.

*Third*, the fund would seek cooperation with private investors and established lending institutions. It could participate in joint financing with private investors, the World Bank, or the Export-Import Bank, adjusting its own repayment claims to those of these others. It would not loan its funds where other loans and private investment were available. Properly administered, the fund would not reduce but would increase the effective flow of activity through normal channels of finance.

*Fourth*, the fund could be used only for development projects and programs which seem technically and economically sound and which could be expected to contribute to the economic progress of the borrowing country and to the long-range interest of the United States in the welfare of that country. It would not be used to meet emergencies or other needs for short-term assistance. Continued financing by the fund to any country would depend upon that country's record of performance.

*Fifth*, a substantial part of the financing undertaken by the fund would be devoted to basic public works such as transport, communication systems, power installations, harbors, irrigation and drainage projects—the capital needed to create the economic environment in which private initiative can come into play. The fund could also use its resources to support local development banks and private enterprises engaged in developing the countries we seek to help.

*Sixth*, the fund should be established upon a basis of continuity with sufficient capital for several years' operations. As I said here last month, economic development is a long-term



process.<sup>5</sup> It is not an annual event. If our assistance is to be useful at all, it should be provided on a sustained basis that is consistent with the long-term nature of the job to be done.

It is not necessary that all the capital of the fund be provided at once. But it is essential that there be initial provision for future availability. For this reason the President has asked that there be provided this year an appropriation of initial capital and the authority to borrow additional capital from the Treasury in the second and third years. Such borrowing authority has been used to capitalize other United States lending agencies. These additional funds which would be borrowed from the Treasury would not be available for obligation until such second and third year. However, the fact that they would be available will give the countries we wish to help and our own administrators the assurance they need to plan ahead.

This new approach we contemplate requires that we get away from annual authorizations or appropriations. These inevitably tend toward a system of "illustrative programs" as a basis for justifications. These are not compatible with the assurance of continuity essential to good planning and to the new long-term loaning concept. They are not compatible with cooperation with such organizations as the IERD and Export-Import Bank, which operate on a long-term, businesslike basis with established capital.

The President has requested an appropriation of \$500 million to be available for the fund in fiscal year 1958 and authority to borrow \$750 million in fiscal year 1959 and the same sum in fiscal year 1960. Any unobligated balances of any year would be carried forward as part of the fund's working capital.

The sums the President has requested are conservative figures. The two reports made to your special committee which relate to a development financing program both conclude that a loan fund, to be effective, should be able to finance development activities at a higher rate than at present. This was also the conclusion of the International Development Advisory Board, which recommended that "the initial Congressional appropriation for the Fund should be sufficient for a substantial increase in capital investment and technical assistance programs." Another study, that

of the Research and Policy Committee of the Committee for Economic Development, has suggested an initial 5-year program at the rate of \$1 billion per year in addition to our existing level of expenditures for economic assistance.

One of the witnesses before your special committee rather aptly compared economic development with getting an airplane off the ground. You have to achieve a certain minimum rate of speed to take off. It would not be prudent to invest our resources in development programs which are too small to offer any hope of eventually achieving a self-sustaining rate of growth.

What of the future cost and direction of financing under the fund? There is a popular idea that the underdeveloped areas are a bottomless pit. In reality, as the Committee on Economic Development says in its report: "The amount that can be productively invested in the underdeveloped world is not enormous but is in fact rather strictly limited." The duration of the need for financing of the kind the fund would supply is also reasonably limited. It is not our purpose to finance the development of these nations to the level of our own economy. It is rather our purpose to help them gain a momentum of economic progress which will make it possible for them to go forward on their own capital formation with outside assistance confined to private investment and other normal sources of financing.

We should think of the fund as a long-term operation but not as going beyond the time when it serves the enlightened self-interest of the United States. As it serves its purpose, the calls upon it should decline.

### Technical Cooperation

There is universal agreement that the technical cooperation program is valuable and should be continued on substantially the present basis. The executive branch so recommends. We believe, furthermore, that this program has proved its worth as a long-term instrument of United States policy and that it should be authorized on a continuing basis.

The President has recommended an appropriation of \$168,900,000 for this program next year. This figure includes, in addition to our regular bilateral program, our contribution to the technical assistance program of both the Organiza-

<sup>5</sup> BULLETIN of Apr. 29, 1957, p. 675.

tion of American States and the United Nations.

Last year the Congress recommended that our proportionate contribution to the United Nations Expanded Program of Technical Assistance should be reduced in fiscal year 1958 to 33 $\frac{1}{3}$  percent from the present level of 49 percent. Since that date, the Subcommittee on Technical Assistance of the Foreign Relations Committee has recommended in its final report that this proviso be reconsidered. This report favored a reduction of the percentage of the United States contribution but urged that "precipitous action to this end should not be taken" and noted that a reduction to 33 $\frac{1}{3}$  percent in 1 year might have deleterious effects on this important United Nations activity. We agree with these conclusions and believe that any reduction should be phased over several years. The President has accordingly recommended that the level of our contribution be set at 45 percent for fiscal year 1958.

#### **Special Assistance**

The final category of our aid is special assistance.

There are some programs, like the malaria eradication program, that do not fit into any of the preceding categories. There will inevitably be occasions when it will be in our national interest to furnish assistance to friendly nations which is not designed to support our common defense effort and which could not properly be handled through the development fund or technical assistance.

There are bound to be emergency situations which we cannot foresee, and there are bound to be efforts we need to support without prospect of repayment.

International communism is constantly probing to discover and exploit weak points within the free world. We cannot tell in advance where these weak points will develop or the amount of pressure which international communism will bring to bear. We must have reserve funds which can be thrown into the breach if we are to conduct successfully the "cold war" in which international communism has engaged us.

During the past few years there have been emergency situations in many places where immediate grant aid was necessary. Such situations have arisen in relation, for example, to Iran, Jordan, Hungarian refugees, and Guatemala. It

can be soberly estimated that international communism would have gained spectacular victories and that freedom would have suffered tragic defeats if the President had not had substantial discretionary funds to use to meet unpredictable emergencies. The fact that the President has had such funds has meant on net balance a vast saving to the cause of freedom to which we are dedicated.

Aid of this nature is designed to meet immediate needs, not to finance long-term programs. It is appropriate that it should be authorized anew each year.

The President has asked for the authorization of an appropriation of \$300 million for special assistance.

This figure includes three separate elements. Approximately one-third of it has already been programed for firm requirements, such as our malaria eradication plan and certain special country programs. Another third is designed to provide for recognized but unprogramed needs, including further assistance for the Middle East under the American Doctrine. In addition, we need continuation of the special presidential fund to meet unforeseen contingencies.

#### **Conclusion**

The total program which I outline reflects the results of the intensive study which has been given to this subject during the past year. Such study has been given by the executive branch of government, by both Houses of Congress, and by special groups of qualified persons who have been asked by the President and by the Congress to study this problem.

These studies indicate no substantial disagreement as to the need of mutual security programs dealing both with military and nonmilitary matters. There is also, we believe, an unusual consensus as to the general order of magnitude which these programs should assume. There is also a large measure of agreement that our mutual security programs can be better organized than has been the case heretofore. The executive branch of government shares that view, and it is reflected in the President's message and the proposed legislation, and in this presentation.

Let me recall, in conclusion, that the Constitution of the United States specifies as among the basic purposes of our Government to "provide for



the common defense . . . and secure the blessings of liberty to ourselves and our posterity.” Under today’s conditions a common defense is most effectively promoted and the blessings of liberty most effectively secured by the mutual security programs I have described.

We know full well that this committee has ably and conscientiously studied this whole problem.

We have taken into account its views, particularly as expressed in the report of the Senate special committee published on May 13.<sup>6</sup> The executive branch of government welcomes and will seek to merit the cooperative spirit which is manifested by this committee.

<sup>6</sup> S. Rept. 300, 85th Cong., 1st sess.

**Action Highlights of the Mutual Security Program, July 1–December 31, 1956**

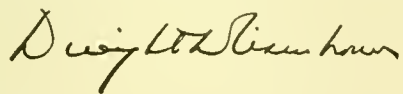
**EXCERPTS FROM THE ELEVENTH SEMI-ANNUAL REPORT TO CONGRESS<sup>1</sup>**

**President’s Letter of Transmittal**

*To the Congress of the United States:*

I am transmitting herewith the Eleventh Semi-annual Report on the operations of the Mutual Security Program, for the period July 1, 1956, through December 31, 1956.

Under present world conditions, I am convinced that this program is, more than ever, essential to the security of the United States.



The White House,  
April 26, 1957

Developments on the international scene during the second half of 1956 had a direct impact on mutual security operations. The situation growing out of actions in the Suez area in the latter part of the year created a number of problems bearing on program activities in countries of the Middle East. The brutal Soviet repression of Hungary’s bid for independence forced thousands of refugees to seek escape from tyranny and

brought emergency problems of transportation, care, and placement. The International Cooperation Administration acted to adjust its operations and use its resources in response to these pressing situations.

During the period also, important actions were taken under mutual security programs in other parts of the world. In the field of collective security, encouraging progress was made in overcoming some of the difficulties which had arisen in the NATO defense organization, particularly in the restoration of close working relationships among the member nations. The worldwide military assistance program continued to help friendly nations in Europe, Asia, and other regions build up their capabilities for keeping themselves strong against aggression.

In the less developed areas of the world, additional measures were taken to support independent nations in their efforts to develop key segments of their economies so that they could become self-sustaining partners of the free world community and contribute fully to its total security and well-being. Advances in technical cooperation provided further evidence that this program is an effective instrument in assisting other free people to acquire the techniques and knowledge they need to help themselves to a better and more productive life.

The latter half of 1956 also saw a number of comprehensive studies launched, directed to a re-

<sup>1</sup> H. Doc. 160, 85th Cong., 1st sess.; transmitted on Apr. 30. Reprinted here are excerpts from chapter I. Chapter II of the report deals with “Use of Fiscal Year 1957 Funds,” and chapter III is entitled “Other Aspects of the Mutual Security Program.”

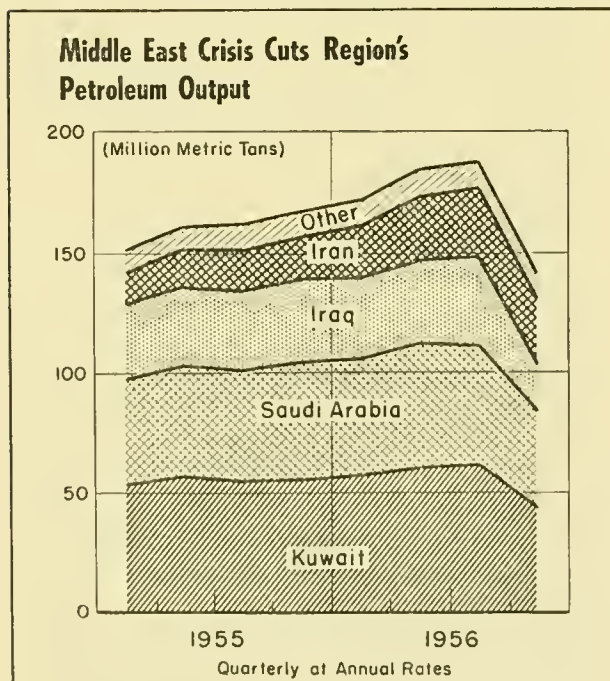
view of some of the basic policy and operational aspects of the mutual security program.

## ICA ACTIONS IN THE MIDDLE EAST AND HUNGARIAN CRISES

### Actions in the Middle East

Events centering around the outbreak of hostilities in the Suez area and the closure of the canal overshadowed other developments in the Middle East during the 6-month period and had a marked influence on mutual security programs in that area. The ensuing disruptions affected the carrying out of going programs, upset scheduled uses of funds, and necessitated adjustments in plans for future operations.

With the outbreak of fighting in the Suez in late October, virtually all Ica personnel were withdrawn from Egypt, Israel, and Jordan. In a number of cases, however, those countries were able to sustain project activities in some measure with their own personnel. In countries farther removed from the center of hostilities, the impact on programs under way was not so pronounced, although modifications had to be made in the composition of the 1957 fiscal year programs because of transportation problems created by the closing of the Suez Canal.



Among 5,300 Americans withdrawn from Middle East countries were approximately 475 Ica employees and their families who were transported to safe havens in the Mediterranean area. Because conditions in the affected countries were still uncertain at the end of the year, Ica reassigned to other missions those employees who were eligible for reassignment or whose services were required elsewhere. Some personnel were placed temporarily in nearby Ica missions in anticipation of returning to their former posts should conditions permit a restoration of operations.

The new political climate in the Middle East and the economic consequences of the Suez closure and subsequent military actions posed complex problems in the planning and execution of economic activities in the area.

The loss of revenues, due to disruption of canal traffic and destruction of oil pipelines and pumping stations in the region, had repercussions in nearly every country. Heavy losses were suffered by Iraq, Saudi Arabia, and Syria. Iraq lost 75 percent of its monthly oil revenues after the pipelines of the Iraq Petroleum Company were blown up in Syria. Because of substantial exchange reserves, however, Iraq was able to maintain expenditures for economic development. Syria lost the revenue normally derived from allowing oil to be transported through its territory. Saudi Arabian oil revenues also declined. Beginning in December, its monthly revenues were about 30 percent below the level prior to the Canal's closing.

Commodity prices in India moved further upward with the slowdown of imports of food grains. The Suez crisis accentuated the economic difficulties which India was experiencing with respect to its second 5-year plan. In Egypt, the sequestration of foreign business establishments and the loss of revenue from the canal resulted in widespread unemployment and seriously reduced imports. Commodity prices in Israel soared, and existing plans for economic improvement were highly uncertain.

Such disturbances in normal economic patterns were causing nations in the Middle East and South Asia to change their plans for economic development, thereby necessitating adjustments in United States assistance measures for those countries. For example, all countries in the area will probably experience a period of abnormal foreign



exchange shortages in greater or lesser degree, and this factor will need to be recognized in future economic programs.

In addition to these economic strains, there were problems arising from the various Soviet moves in the Middle East region. At the end of the year, the executive branch was considering measures which would deal effectively with these situations. These measures contemplated a clear declaration by the President and the Congress that the United States is prepared to help the countries of the area maintain their independence against Communist aggression and to assist their efforts to overcome their economic difficulties.<sup>2</sup>

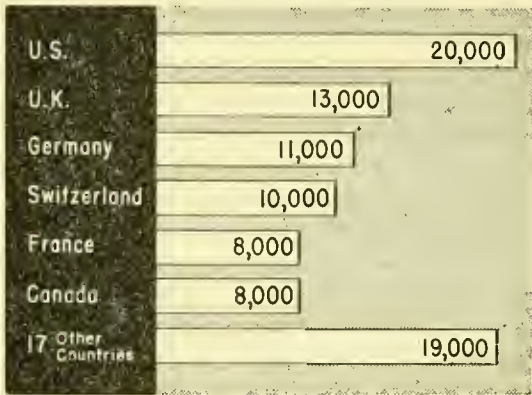
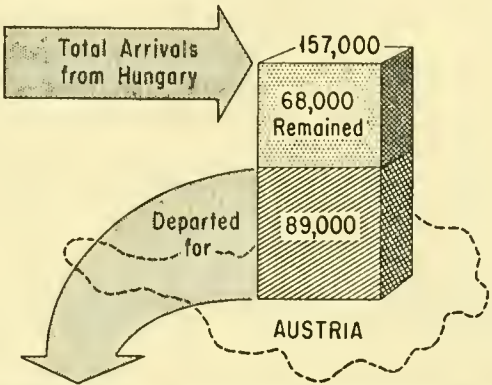
**Relief for Oppressed Hungarians**

A major problem was created early in November by the massed exodus into Austria of Hungarian men, women, and children fleeing ruthless deportation and other oppressive measures by a government forced upon them by the Soviet Union after the earlier success of their revolt against Communist subjugation. Appeals for help met immediate response from voluntary and international public agencies. As it became obvious that the needs far exceeded the available resources of these agencies, governments of free world countries also responded. Although burdened with its own substantial economic problems, Austria unhesitatingly accepted these destitute refugees and appealed to the United Nations and the Western governments for support in providing for their maintenance and asylum.

To help meet the cost of caring for the refugees in Austria and to provide some aid to the needy people still in Hungary, \$9 million was made available under the mutual security program from the President's contingency fund. Of this amount, \$5 million was contributed to the United Nations to aid in its activities in Hungarian relief. The remainder was used to acquire clothing, medical supplies, and camp equipment from United States military stores and to meet costs associated with the supply of United States surplus agricultural commodities. The United States escapee program was authorized to use \$3 million of its regular program funds for emer-

<sup>2</sup> These measures were embodied in the Middle East Resolution which was presented to Congress on January 5, 1957. (BULLETIN of Jan. 21, 1957, p. 83.)

**The Flight Of Refugees From Hungary  
Oct. 23 - Dec. 31, 1956**



gency assistance to Hungarian refugees. Under title II of Public Law 480, some \$15 million worth of United States surplus foods, including transportation costs, has been authorized for these purposes. Part of this food will go to replace stocks used by United States voluntary relief agencies in meeting the initial emergency; part will continue to be distributed by the international agencies to refugees in Austria and people in Hungary.

The flight of Hungarians into Austria reached such dimensions that it soon became apparent that Austria's reception facilities were being hopelessly overtaxed. Other free nations—the United Kingdom, Germany, Switzerland, France, Canada, among others—responded to this situation by offering asylum within their borders. On November 8, the President directed that measures be taken to expedite the processing of 5,000 Hungarian visa applications under the Refugee Relief Act. When the exodus from Hungary swelled to

major proportions, the President on December 1 directed that the remaining available visas under the Refugee Relief Act be used for Hungarian refugees in Austria and that 15,000 additional Hungarians be admitted to the United States under the parole provisions of the Immigration and Nationality Act. He stated that when these numbers had been exhausted, the situation would be reexamined. By the end of 1956, about 20,000 refugees had already departed Austria for the United States.

#### **DEVELOPING ECONOMIC STRENGTH IN THE FREE WORLD**

The economic assistance provided under the mutual security program is geared to help meet those vital economic needs of our free world partners which are part of the framework of our mutual interests. The military burdens that some countries must carry because of their proximity to the threat of Communist aggression, the different positions which various nations occupy in the scale of economic development, the disparities in their rates of economic progress, the growing Soviet activities for economic penetration—all these mean that the United States programs of economic assistance must serve a variety of purposes to achieve the ultimate objectives of peace and progress that we and our free world allies seek.

#### **DEVELOPMENTS IN COLLECTIVE SECURITY**

Foremost among the developments in collective security during the July–December period were the reestablishment of NATO unity at the meeting of the North Atlantic Council in December and the United States announcement on that occasion of the inclusion in the current military assistance program of new weapons for the forces of other NATO members. Other noteworthy actions included the joint military exercises under the Southeast Asia Treaty Organization and the further progress made in strengthening the military capabilities of friendly nations in the Far East.

#### **NATO**

The Ministerial Meeting of the North Atlantic Council in December was one of the most im-

portant in the history of NATO.<sup>3</sup> Following close upon the divergencies of policy growing out of the Suez crisis between the United States on the one hand, and the United Kingdom and France on the other, the meeting had as its primary purpose the reestablishment of NATO unity. It was successful in that good progress was made toward the restoration of the former close working relationships among the member governments. Although they did not disregard past policy differences, the foreign ministers of the NATO countries reaffirmed their basic unity and confirmed the necessity for more effective political consultation and cooperation in the future.

Important steps taken to strengthen the military effectiveness of NATO furnished concrete evidence that the member nations continue to regard the alliance as the essential defense bulwark of the Atlantic community.

*New Weapons.*—Speaking for the United States Government at the December meeting of the NATO Council, Secretary of Defense Wilson pointed out that our belief in the need for continual modernization of NATO forces is reflected in the United States military assistance program for fiscal year 1957; and he expressed our intention to propose a similar program for fiscal year 1958.

Translating this statement into more concrete terms, Secretary Wilson announced two important steps being taken by the United States to provide NATO forces with more modern weapons. One of these is that the military assistance program now includes delivery to other NATO forces of certain new weapons heretofore furnished only to United States forces. The other is that the United States is prepared to make available promptly certain prototype items of new weapons and equipment, together with appropriate technical data, to those of our allies who are willing and able to utilize them for developing their own modern weapons systems. This latter step fits into the program of mutual weapons development which aims to make better use of existing scientific and technological skills in NATO countries.

Secretary Wilson stated also that the ability of the United States to assist in a weapons modern-

<sup>3</sup> For a statement by Secretary Dulles on Dec. 15 and text of the communique issued at the close of the NATO Council meeting, see BULLETIN of Dec. 24–31, 1956, p. 981.



ization program for NATO is dependent to a considerable degree on the willingness of the other NATO countries to assume, to the extent that their resources will permit, an increasing share of the maintenance costs for their own forces.

*New Force Goals.*—The December meeting of the North Atlantic Council also marked the completion of NATO's 1956 Annual Review, the fifth such exercise since this procedure was first introduced at Lisbon in 1951. The Council adopted new firm goals for NATO forces for 1957 and provisional and planning force goals for the two years following.

The 1957 goals include a number of German units, the first of which are to be placed under the NATO command during the summer of 1957. Military equipment made available under the mutual security program from funds appropriated in fiscal year 1956 and prior years has assisted the German Federal Republic to initiate and carry forward its buildup as a contribution to NATO defense. Except for limited assistance in training, none of the fiscal year 1957 appropriation is to be used to provide any grant aid to the German Federal Republic. However, by the end of December 1956, the German Government had contracted to procure with its own resources a substantial amount of military equipment produced in the United States.

*Increased Cooperation in Nonmilitary Fields.*—Another major accomplishment of the December meeting of the Council was the approval of the recommendations of the Committee of Three, consisting of the foreign ministers of Canada, Italy and Norway, on ways and means to improve and extend NATO cooperation in nonmilitary matters and to develop greater unity within the Atlantic community.<sup>4</sup> The recommendations were designed to strengthen the alliance by extending consultation on political and economic matters of concern to it, even though outside the treaty area. They would also strengthen the alliance by improving present programs and arrangements for cooperation in the cultural and information fields. Such steps would promote a sense of community that would bind the people of NATO countries through realization of their common cultural heritage and of the values of their free way of life and thought.

The NATO Council adopted a resolution recom-

mended by the Committee of Three providing for consideration within the NATO framework of disputes between members before such members resort to any other international agency. Such activities are especially provided for by the United Nations Charter.

## SEATO

At a meeting in the Philippines of the Southeast Asia Treaty Organization's military advisors in September 1956, a plan was approved to establish the office of the SEATO Permanent Military Planning Staff in Bangkok. All SEATO members are now sending military representatives to the planning staff, and Bangkok will become the combined civil-military headquarters for SEATO.

The SEATO joint military exercise ALBATROSS was conducted during September-October. A noteworthy aspect was that the Asian members of the organization—Pakistan, Thailand, and the Philippines—were able to contribute effective forces to the exercise and to engage in it with considerable distinction. In large part, this increased military effectiveness can be attributed to United States assistance.

There were other evidences of military progress on the part of Asian members of SEATO. Thailand was sending its officers to military schools of other SEATO nations. This type of training furnishes an ideal basis for the mutual exchange of students among the SEATO members and helps to promote mutual respect and confidence. In the Philippines, the prospect for continued internal peace and security remained bright with the threat of Communist-led rebels reduced by the operations of the Philippine armed forces. Philippine operations have been materially assisted by equipment and supplies furnished through the United States program of military assistance.

## Other Developments in Buttressing Far East Defenses

*Republic of Korea.*—The program of military assistance for South Korea continued to make steady progress toward developing high levels of efficiency and competence in the several branches of the Republic of Korea's armed forces. The logistic capability of the Rok forces was further improved during the half-year period by such measures as production and recapping of tires in Korean plants for military use; operation of a

<sup>4</sup> *Ibid.*, Jan. 7, 1957, p. 18.

cross-services system to provide more efficiently the supplies and services that are common to the several branches of the armed forces; and increased emphasis on proper care and maintenance of equipment.

Some construction for South Korean air force units, as well as work on an air academy in Seoul, was in progress at the end of 1956. New ships for the navy continued to arrive to replace those that were no longer usable.

*Taiwan.*—Greater overall efficiency in the ground forces of Taiwan was obtained through continued emphasis on training in the military assistance program. Several measures contributed to increasing the defense capabilities of the Chinese navy. Steps were taken to make the navy more capable of overhauling its own ships; and material for ship repairs began to arrive in the autumn of 1956. The navy's communications system was revamped to give it greater effectiveness. As part of a stepped-up training program for officers, about 150 midshipmen were graduated from the Chinese Naval Academy in August.

Progress continued also in activities to insure adequate ground facilities for the increasing capabilities of the air force, such as improving the logistic support for aircraft by shortening the time required for delivering supplies and fuels.

*Japan.*—The prestige of Japan's defense effort is expected to be raised as a result of the formation of the National Defense Council. This body is composed of top civilian officials of the Japanese Government and was set up as the highest advisory organ on basic national defense policy and plans.

Although Japan's air defense is still in the developmental stage, many pilots have been trained and are now flying aircraft assembled by the Japanese themselves. Japan is steadily improving its capabilities for producing modern aircraft and is working toward the goal of assuming complete air defense responsibility. Some air base construction was completed during the half-year; additional construction was started on bases for recently acquired jet aircraft.

Japanese ground forces have been developed to the point where they are now capable of taking over ground defense responsibilities in large areas of the nation. Visible progress was made also in methods of waging antisubmarine warfare, and in minesweeping and escort service.

## Presidential Decision on Aid to Yugoslavia

The Mutual Security Act of 1956, enacted on July 18, 1956, contained a provision requiring the termination of aid to Yugoslavia after 90 days from the date of its enactment unless the President certified that certain conditions prevailed. Essentially these conditions were that Yugoslavia is independent of control by the Soviet Union; is not involved in any program to extend Communism by aggression; and that continued assistance to Yugoslavia would coincide with United States security interests.

After careful study within the executive branch, the President reported to the Congress on October 16, 1956, that he had made an affirmative determination that these conditions did exist, and he explained the basis for his decision.<sup>5</sup> The President went on to say that the administration would continue to follow a policy of permitting only small, routine and long-planned deliveries of military equipment until the situation could be more accurately appraised.

At the end of 1956, deliveries of military equipment to Yugoslavia continued to be minimal. Deliveries of jet aircraft and other items of heavy equipment which had been programmed remained suspended. Although only day-to-day operating expenses had been authorized at the end of the half-year, proposals for economic and technical assistance were being given serious consideration.<sup>6</sup>

## ACTIVITIES IN TECHNICAL COOPERATION

At the close of 1956, approximately 4,400 American technicians, including those employed under private contract, were working in more than 50 less developed countries of the free world. During 1956 also, about 6,300 nationals from cooperating countries, including some 3,700 in the second half of the year, were brought to the United States to participate in training and orientation programs, or in some cases were sent to other countries where training facilities for their particular needs were more suitable.

Fifty-four United States universities are currently carrying out major programs in cooperation with the International Cooperation Administration to develop and assist local educational

<sup>5</sup> *Ibid.*, Oct. 29, 1956, p. 664.

<sup>6</sup> For a current announcement on aid to Yugoslavia, see p. 939.



institutions in 38 countries. These college-to-college relationships add another dimension to the approach of the technical cooperation program and are helping to fill one of the central needs of the underdeveloped countries—the training of higher level technical and administrative personnel.

Ica's university contract program has been developing rapidly, and within less than 3 years has become a valuable means of carrying out effective projects in the field. There have been some problems which have arisen in the course of such rapid expansion of a new concept, particularly with respect to the details of the contractual relationship between Ica as a government agency and the various American universities which are serving abroad. During the half-year, Ica launched an intensive effort, in cooperation with the participating universities, to iron out these problems by standardizing and simplifying contractual procedures with the objective of giving the universities more flexibility in carrying out overseas programs. Ica has been greatly assisted in this effort by the advice of the chancellor of one of the cooperating universities, who has acted as consultant in this matter. New and more satisfactory arrangements are expected to go into effect in the near future.

In other efforts to strengthen the technical cooperation program, several steps were taken to create greater appreciation abroad of the role of indigenous private enterprise and to increase the emphasis on self-help measures.

### **Encouraging Indigenous Private Enterprise**

The key role which domestic private enterprise can play in achieving economic development and promoting conditions for democracy is becoming more fully understood by the governments of the less developed countries. In many of those countries, the concept of private enterprise has been identified in the minds of the people and their leaders with the evils and the exploitation of old-time colonialism. In some areas, moreover, there is little knowledge of how private enterprise facilities of today actually operate; hence there is a lack of confidence in using them.

In this situation, Ica has sought opportunities to develop a clearer comprehension of the valuable contribution which domestic private industry can make in directing the energies of the peo-

ple of underdeveloped countries into constructive channels. Some recent examples of Ica efforts along those lines are:

▶ With Ica assistance, a new industrial productivity center has been established in Taiwan which is becoming the focal point for the promotion of local private business and manufacturing activities on the island. The center operates to improve productivity in small and medium-sized industrial enterprises by providing training in techniques of management and by developing a broader base of skilled labor.

▶ Ica investment experts have helped free Viet Nam in establishing development banks to help promote the participation of local private capital.

▶ Two hundred Brazilian industrialists from top and middle management, graduates of management seminars arranged under the mutual security program, recently organized into an active alumni association. One of the first actions of this association was to undertake a program to develop local sources of financing for business education programs which would replace financial support from the United States.

▶ Industrial technicians of an American engineering firm under contract with Ica are helping private industrialists in India to increase plant productivity through more efficient management and production methods. These technicians have also assisted Indian industrialists in preparing new investment plans which incorporate improvements in management, factory operations, line production, procurement methods, and maintenance.

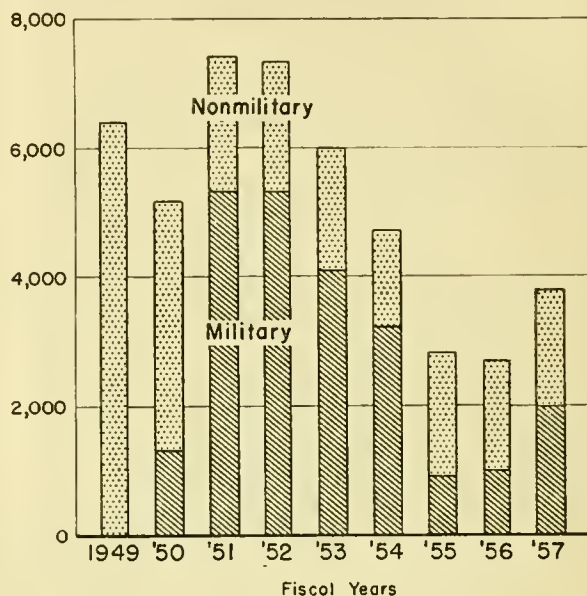
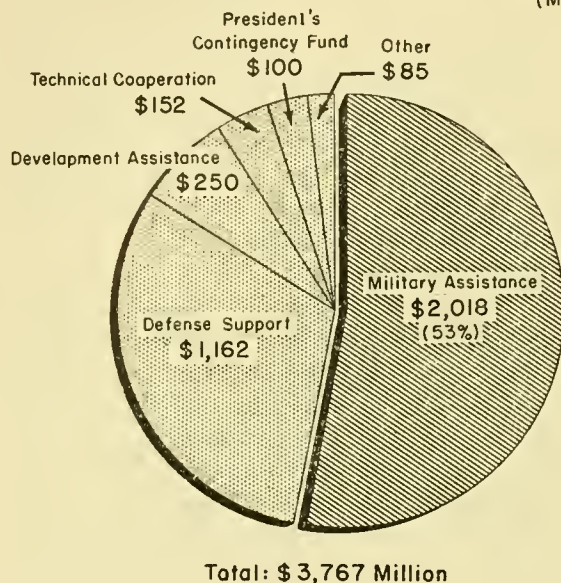
▶ Though highly industrialized, Japan faces the problem of improving industrial productivity and of modernizing management practices of private enterprise to accord with the new framework of the nation's political democracy. A number of Ica programs of guidance and training in management and productivity fields have been under way in Japan. As a result of Ica efforts, Japanese trade unionists and management representatives are showing increased interest in the need for good labor-management relations in order to increase productivity and raise the standard of living. Visits to the United States by Japanese legislators, and business and labor leaders have encouraged an attitude which is helping to bring about better management-labor relations. This is evidenced by a growing recog-

## Appropriations For Mutual Security

CURRENT FISCAL YEAR 1957

(Millions of Dollars)

THE ANNUAL TREND



dition of the merit of grievance procedures, by some contracts calling for incentive wage systems, and by a tendency to reduce the frequency of work stoppages.

► In August 1956, ICA adopted a policy of trying to reserve for loans to private enterprise, through the host governments and their financial facilities, about 25 percent of the local currency proceeds for economic development which accrue from sales of United States surplus agricultural commodities under title I of Public Law 480. Most of the funds reserved for private industry are loaned to local firms; some are made available to private companies of the United States and other free nations. Under agreements reached by the end of 1956, more than \$100 million of title I proceeds were reserved for such loans to private enterprise. Of this amount, India accounted for \$55 million.

### Increasing The Emphasis on Self-Help

As experience with technical cooperation has grown, there is increasing evidence that the best long-run returns follow when outside aid is concentrated on helping the less developed countries in those projects which build up and expand their

own indigenous skills. This emphasis on the idea of self-help enables those countries to make greater use of their human resources so that they can better exploit their natural resources and thereby stimulate economic advancement on a progressively larger scale.

One illustration of this development of the human resources factor is the progress made in Ethiopia in training native teachers. About 5 years ago only 30 teachers a year were graduated from teacher-training courses in all of Ethiopia. As a result of the education program carried out through technical cooperation, more than 300 teachers were graduated last year, thereby bringing about a large proportionate increase in the number of persons in Ethiopia who are qualified to train others.

During recent months, community development programs were expanded in the Philippines and in Pakistan. These programs are designed to help people in rural villages to identify their needs and to develop and execute their plans to meet those needs, mainly through their own efforts. Assistance in planning similar programs has been requested by Libya, South Korea, Thailand, and Afghanistan. The growing apprecia-



tion of the value of the community development program stems in large part from the evidence of its success in India, where it has visibly benefited some 80 million people in rural areas.

For several years Ica has assisted the labor education center at the University of the Philippines. This demonstration project has been so successful that the Philippine authorities took action on their own in the second half of 1956 to establish three similar regional centers in various parts of the country as well as a resident labor training school in Manila. Also in the Philippines, 33 major governmental reorganization plans were developed with the assistance of an American management consulting firm under Ica financing. These plans have been approved by the Philippine legislature and President, and are now being implemented in the various departments and agencies affected.

## **PEACEFUL USES OF ATOMIC ENERGY**

The overall program of assisting free nations in developing the application of atomic energy to peaceful purposes is being carried out through the combined efforts of the Atomic Energy Commission, the Department of State, the International Cooperation Administration, and other agencies of the United States Government. With the Atomic Energy Commission providing the services of technical experts, Ica acts as an administrative agency in several fields of the program and also performs a number of coordinating functions. During the half-year, the following noteworthy developments took place in those aspects of the atomic energy program for which Ica had administrative responsibilities.

► Some 55 scientists and engineers, representing 23 cooperating countries, were brought to the United States for training in nuclear science and engineering, in the use of radioisotopes, and in the health and safety aspects of nuclear energy. Moreover, a high-level Japanese team of 13 participants, seven of whom were members of the Japanese Diet, studied the role of government and private organizations concerned with policy, planning or operations in connection with peaceful uses of atomic energy.

► To advance the development and planning of appropriate regional and country programs in

the field of nuclear energy, Ica concluded a contract in November with the Phoenix Memorial Project of the University of Michigan to provide technical and advisory services.

► In conjunction with other United States Government agencies, Ica participated in the second Atoms for Peace Mission to Latin America. The mission visited Chile, Colombia, Costa Rica, Ecuador, Panama and Peru to assist in forming the basis for appropriate atomic energy programs in those countries and to increase the knowledge and use of radioisotopes.

► To enable the Central Isotope Laboratory at Siriraj Hospital in Thailand to move ahead in applying atomic energy in the field of medicine, Ica completed arrangements for the procurement of radioisotopes and equipment for that institution.

► One of the most notable operations of the mutual security program in the field of nuclear energy relates to the establishment of measures to establish a regional nuclear center in Asia. Important steps were taken during the half-year toward getting this project under way.

## **U.S. To Modify Restrictions on Military Aid to Yugoslavia**

Press release 289 dated May 14

In the statement of October 15, 1956, announcing his decision to continue to furnish United States aid to Yugoslavia,<sup>1</sup> the President declared that, in the matter of military assistance, jet planes and other items of heavy equipment would not be delivered until the situation could be more accurately appraised in the immediate future. During the period of approximately 6 months in which this directive has been carried out, a careful examination of all aspects of relations between the United States and Yugoslavia has continued to take place, and, on that basis, certain conclusions have now been reached.

Intervening events have confirmed the President's basic finding that Yugoslavia is and firmly intends to remain independent and that it is in the interest of the United States to support this Yugoslav resolve to be free of foreign control. Soviet hostility to the cause of national inde-

<sup>1</sup> BULLETIN of Oct. 29, 1956, p. 664.

pendence in Eastern Europe, which has led to the renewed harassment of Yugoslavia, makes it even more important that the United States adhere to its established policy of lending support to those countries seeking to withstand Soviet pressures.

The American program devised several years ago for helping the Yugoslavs to equip their armed forces at an adequate level commensurate with Yugoslavia's local defense needs is still being carried out. At a time when the neighboring Warsaw Pact nations are still being reequipped with modern Soviet military supplies, the suspension of certain U.S. shipments to Yugoslavia since last summer has produced serious disadvantages. Yugoslav soldiers, sailors, and airmen trained to operate and maintain American equipment have lacked even those quantities of items needed to keep up their training and proficiency. Ground installations, and particularly jet-plane fields built by the Yugoslavs at sizable expense, are lying idle, and imbalances in the availability of necessary materiel have developed which have affected Yugoslavia's state of defensive preparedness.

In the light of these circumstances, the executive branch, with the approval of the President, has believed it both appropriate and desirable to modify the restrictions imposed last October on military aid deliveries to Yugoslavia. The Department of Defense has been authorized to resume the shipment of various items, including jet aircraft, procured under programs drawn up in past years but temporarily withheld from transfer to Yugoslavia.

Because of a number of factors, including competing demands on availabilities, the deliveries will have to be made at a more modest rate over the next few years than previously planned. It is anticipated furthermore that the shipments will not exceed certain quantities required by Yugoslavia to maintain those defensive potentialities inherent in the training of personnel and maintenance of ground installations. This will, however, be important because it would permit of a rapid utilization of that potential if and when that should be necessary in future international developments.

The Department of State has noted with satisfaction that this decision by the executive branch accords with the findings of Allan Kline, the

special consultant of the Senate Committee on Foreign Relations, who recently visited Yugoslavia to examine the U.S. aid program and who has recommended in his report that military materiel deliveries be reinstituted.

## **Alleged Intrusion of Air Attaché Into Czech Restricted Area**

Press release 265 dated May 6

*Following is the text of a note transmitted on May 5 by the American Embassy at Prague to the Czechoslovak Foreign Ministry in reply to a note from the Foreign Ministry alleging an intentional intrusion by the American Air Attaché into a restricted area.*

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs and has the honor to refer to the Ministry's Note number 115.231/57-ABO of May 4, 1957,<sup>1</sup> as well as to the conversation of Her Excellency the Deputy Minister for Foreign Affairs [Gertruda Sekaninova-Cakrtova] with the American Ambassador [U. Alexis Johnson] of the same date with regard to the alleged intentional intrusion of the Embassy's Air Attaché into a restricted area.

As the Ambassador informed Her Excellency the Deputy Foreign Minister the Air Attaché, Colonel D. E. Teberg, in the company of the British Air Attaché, were proceeding eastward for Nymburk on the main public highway marked for that town, in a personal automobile bearing diplomatic license plates, when, at the outskirts of Milovice, they were stopped by a military policeman with traffic control flags.

In compliance with the directions of that military policeman, Colonel Teberg and the British Air Attaché detoured to the left. After proceeding up the detour slightly less than one-half mile they were intercepted and passage backwards and forwards was blocked by Czechoslovak army vehicles which appeared from both directions. The automobile in which they were traveling was, without explanation, surrounded by six armed guards. Neither "restricted area" nor "no entry" signs were observed on the detour, and civilian licensed traffic was on the detour during the period

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<sup>1</sup> Not printed.



of their detention. Although Colonel Teberg and the British Air Attaché identified themselves as diplomatic personnel the guards refused to permit them to leave the area.

After approximately one hour, an older model twin-engine jet aircraft was towed from a distance of one-half to one mile to a position as close as feasible to the automobile, and approximately one-half hour later an additional aircraft of the same type was moved to the same position. Slightly later two tanks were run up to a point very close to the other side of the automobile. A single photographer, followed by three additional photographers, then appeared, and after the guards and blocking trucks were moved back, extensively photographed the automobile from all angles with both still and motion picture cameras.

After this photography had been completed, an air force major stated he was commander of the air field which lies approximately one and one-half to two miles northeast of the town of Milovice. Lt. Colonel Komarek, the chief of the Foreign Liaison Section of the Ministry of Defense, and a representative of the Ministry of Foreign Affairs appeared.

Colonel Teberg then inquired as to the meaning of these activities, pointing out that they had been directed down the road and that no posted restricted areas had been noted. He also requested at this point that if this in fact were a restricted area, that the signs so stating be pointed out. Although both Colonel Teberg and the British Air Attaché are well known to Lt. Colonel Komarek they willingly and readily complied with his request that they exhibit their diplomatic identification cards.

The photographers continued taking photographs throughout this period.

The Czechoslovak representatives then departed stating that it was necessary that they consult higher authorities. They returned approximately 15 minutes later, and their request again that Colonel Teberg and the British Air Attaché exhibit their identification cards was complied with.

After Colonel Teberg and the British Air Attaché assured the Czechoslovak representatives that there were no cameras in their possession the Czechoslovak representatives indicated that the automobile be turned around and that they would then show Colonel Teberg and the British Air Attaché the "no entry" sign.

Following the Czechoslovak representatives (who were preceded by the four photographers) the British Air Attaché and Colonel Teberg then drove back to a point approximately 750 feet from the point where they had been directed to turn by the military policeman. Resting in the fork of a tree, a small and partially defaced "no entry" sign in the Czech language, somewhat obscured by foliage, was shown to the occupants, again with accompanying photography. This sign had not been observed during the first passage up the road approximately three hours before.

Colonel Teberg and the British Air Attaché then departed and returned to Prague.

The American Embassy regrets this incident which was occasioned entirely by the directions given by a Czechoslovak military policeman and by the inadequate marking of the road. The American Embassy also regrets that the Czechoslovak authorities concerned apparently attempted to use the incident to obtain contrived and misleading photographs of Colonel Teberg.

The Embassy avails itself of this opportunity to renew to the Ministry of Foreign Affairs the assurance of its high consideration.

## **Congressional Documents Relating to Foreign Policy**

### **85th Congress, 1st Session**

Interim Convention on Conservation of North Pacific Fur Seals. Message from the President transmitting a certified copy of an interim convention on conservation of North Pacific fur seals, signed at Washington on February 9, 1957, in behalf of the Governments of Canada, Japan, the Union of Soviet Socialist Republics, and the United States. S. Exec. J, March 29, 1957. 16 pp.

Amendment of Anglo-American Financial Agreement. Report of the House Committee on Foreign Affairs on S. J. Res. 72, to implement further the act of July 15, 1946, by approving the signature by the Secretary of the Treasury of an agreement amending the Anglo-American Financial Agreement of December 6, 1945. H. Rept. 293, April 2, 1957. 13 pp.

United States Membership in the Organization for Trade Cooperation. Message from the President recommending United States membership in the Organization for Trade Cooperation. H. Doc. 146, April 3, 1957. 3 pp.

Report of the Special Study Mission to Africa, South and East of the Sahara, comprising Honorable Frances P. Bolton, ranking minority member of the Subcommittee on the Near East and Africa of the House Committee on Foreign Affairs. H. Rept. 307, April 5, 1957. 151 pp.

Favoring Admission of Spain as a Member of the North Atlantic Treaty Organization. Report to accompany H. Con. Res. 115. S. Rept. 212, April 8, 1957. 2 pp.

## Guiding Principles in United States Foreign Policy

*by Deputy Under Secretary Murphy*<sup>1</sup>

When we review the earlier days of our Republic, we appreciate that through many decades the making of our foreign policy was a fairly simple process. Of course the basic aim of our foreign policy has always been, as it is today, the welfare and security of the American people. It is designed to demonstrate to peoples abroad the worth of American principles and institutions as well as the humanity of our population.

Now in the early days of our Republic the President, the Secretary of State, and a few advisers between them had the knowledge, experience, and the authority to make the necessary foreign-policy decisions. We were then a new nation, largely isolated from the rest of the world, and our foreign policy was chiefly directed toward staying clear of foreign entanglements, concentrating on our own development, and preventing interference with ourselves and our immediate neighbors. And as for the State Department, over which the Secretary of State presided, its original personnel numbered 13. As we have grown in power and authority in the world, after the experience of two terrible world wars and in the presence of power politics generated by forces hostile to our interests and ideals, there has been a concomitant growth of central government authority in the country to cope with this complex situation.

Before coming here I asked my good friend, Monsignor Tanner, for suggestions as to points of interest in our foreign policy. He mentioned criticism he had heard about our foreign policy to the effect that some people seem to believe that

there is too much shooting from the hip and that this impression had been created perhaps by sensational headline treatment of the news regarding foreign policy. Perhaps it might be desirable to take a few minutes to review the way in which foreign policy is formulated in your Government.

Under our system of government and under our Constitution, the President is charged with the conduct of foreign affairs. His principal adviser is the Secretary of State. Today we entertain diplomatic relations with 82 nations. Of these 82 nations, 19 with 700 million people have come into being during the past decade. This also provides a certain index of the increased volume of diplomatic activity which your Government is engaged in as compared with pre-World War II days.

Basic to our democratic system is the support of the people at large. All decisions of foreign policy must finally meet the approval of the people. To insure the widest popular understanding and support for our foreign policies, the President, the Secretary of State, and other leading officials hold frequent consultations with the Congress and groups of private citizens. Press conferences are perhaps the best way to bring current issues to the direct attention of the people.

The gravest questions of all in our foreign policy, the broadest matters affecting war and peace, fall under the consideration of the National Security Council. This Council, strengthened and enlarged under President Eisenhower, is charged under law with coordination of political, military, and industrial policies to advance the security of the United States. It consists of the President, Vice President, Secretary of State, Secretary of Defense, and the Director of the Office of Defense Mobilization, who are permanent statutory mem-

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<sup>1</sup> Address made before the National Council of Catholic Men at Cincinnati, Ohio, on May 11 (press release 283 dated May 10).



bers. The Joint Chiefs of Staff are the principal military advisers to the Council. The Central Intelligence Agency is under the National Security Council and is its intelligence adviser. High officials of the other departments may be appointed to the Council from time to time as circumstances require.

I should like to review with you this evening some of the guiding principles in our foreign relations. These are the constants of our policies—the basic purposes and essential requirements. The specific courses of action we take are based on these fundamental considerations. Secretary Dulles recently reaffirmed these principles and stressed that it is important for both friend and foe to know how we chart our course.<sup>2</sup>

### **Finding Ways of Peaceful Change**

America's goal is to realize the concepts of peace, justice, and liberty in a world of rapid and accelerating change. World peace depends not on preserving the status quo but on finding ways of peaceful change.

To insure that change takes place by peaceful evolution and not by force we must be sure that the nations of the free world have sufficient strength to deter armed aggression. This can be done most efficiently and economically, and is being done, through the unity of the free peoples and their defensive armament. The collective security alliances of the free nations, reinforced by our military strength and the mobile retaliatory power of the United States, are key elements in our effort to prevent aggression.

In addition to this defensive strength arising from the system of collective security alliances and our armed force, there must be healthy economic growth if peace is to have sufficient vitality to endure. This activity and growth comes best to the more developed nations through trade, which is of mutual advantage. To the less-developed nations, this growth comes through programs of self-help, and here the United States has been rendering vital assistance. A second requirement of our policies, therefore, is to help provide opportunity for the economic development and growth of the free nations.

However, man does not live by bread alone, and economic development alone is not enough. In-

deed, development comes best and most rapidly when there is another ingredient—freedom. A third requirement is to encourage political change in the direction of justice and liberty. From our earliest days the United States has stood as the faithful champion of these principles. We support the aspiration of any nation to be free.

In particular we support the peaceful liberation of the nations now enslaved within the Soviet bloc. Economic exploitation and political repression have made a mockery of the Communists' claim of a better way of life. Communist doctrine, once supposed to have the answer to every political, economic, or social question, has become hopelessly confused over personality cults and divergent roads to socialism.

Yugoslavia took its own road in 1948. With judicious encouragement from the West, it has kept on its own road. This division within the Communist camp has had a significant and continuing impact on international communism.

Last year's revolt in Hungary was crushing proof of the Soviets' failure to impose their system on a people determined to be free. Hungary's political and religious traditions are antithetical to reactionary despotism. We have given all aid we could to Hungary short of running direct risk of war. We have not forgotten the brave people of Hungary. We know that the tide of freedom runs strong there, and we shall continue to encourage it. We doubt that Soviet brutality and repression are capable of reversing the trend toward freedom which has been established by Hungarian heroism.

Likewise in Poland we encourage a peaceful evolution to freedom. In Poland, too, political and religious traditions are antithetical to foreign-imposed despotism. Here also we are willing to respond helpfully when a captive nation takes steps toward independence.

The road to true independence for the captive nations may be a long one. But steps along this road merit encouragement. At the same time the President has made it clear to the Soviet rulers that we do not seek to encircle the Soviet Union with hostile forces. We do not look upon these nations as potential military allies but rather as friends and as part of a united and friendly Europe.

In encouraging evolution toward freedom, we recognize that the United Nations plays an im-

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<sup>2</sup> BULLETIN of May 6, 1957, p. 715.

portant role, a role no other agency can play. The U.N. Charter calls for peaceful settlement of disputes in accordance with justice and international law. Settlement of the dangerous situation in the Middle East on the basis of these principles is a consummation we are earnestly seeking.

Under the aegis of the United Nations potentially important discussions on the vital matter of disarmament are now going on in London. We believe that a defensive shield is essential, as I have said, to permit peaceful and evolutionary change. But we do not believe that ever-increasing armaments are necessary to security. We believe that control and reduction of armaments are not only desirable but ultimately essential. It is not necessary, furthermore, that control come all at once. A journey of many miles begins with a single step. We do not despair that progress toward safeguarded disarmament may be made in the current conversations in London.

#### **Mutual Security Program**

The mutual security program remains one of our essential instruments of foreign policy. Through it we give military assistance to those countries willing to stand with us in maintaining a defensive shield against aggression. Through it we give assistance to those who are facing such serious economic problems that, without some assistance, they might lose the liberty and independence they cherish. A product of the mutual security program has been the development of strength and unity and firmness of purpose among the free nations. This strength and unity have forced the Communists to refrain from using overt aggression. If this strength and unity is maintained with equal firmness of purpose in the future, it offers promise of continuous development toward a peaceful world.

In recent months the mutual security program has been subjected to intensive reexamination. Many excellent studies have been made by both governmental and private groups. Among the general conclusions that emerge from these studies are: first, that this is a long-term program and ought to be put on a more businesslike long-term basis, and second, that the program must be so presented as to be more widely understood by the American people. It has been my experience that our people are not opposed to having their Government take necessary action. What they wish

to know is that the action is carried out efficiently and economically.

Henceforth the military portions of the program, constituting about three-fourths of the whole, will be placed in the budget of the Department of Defense, where they can be seen for what they really are—an essential part of our own military shield against aggression.

As for our economic development assistance, this part of the program is being put on a more realistic basis for continuing operations. The Congress will be asked to set up an economic development fund with continuing authority—that is, it would not exist merely on a year-to-year basis, as though every year might be the last. This does not allow for efficient and practical planning. Long-term loans would be made for specific programs or projects which developing countries must have for their advancement but which they cannot at present finance from private sources or existing institutions such as the World Bank.

In addition to this new fund, we will of course continue the highly successful program of technical assistance. We will continue to participate in the technical assistance activities of the United Nations. And since there will remain an urgent need—in some countries and under unusual circumstances—for outright economic grants rather than loans, limited funds for that purpose will continue to be required.

All in all, we believe that the new approach will make the mutual security program a more effective instrument for furthering the vital interests of the United States in the most dangerous era of our national history thus far. We cannot afford to be without this instrument. But we can certainly improve it. That is what we aim to do.

We naturally hope for the day when our military and economic assistance can come to an end. It would be foolhardy, however, to expect that that day can come immediately. The forces of hostility and instability loom too large for wishful thinking. This is not to say that we will not work toward the objective of reducing aid. Important progress has already been made in this direction, notably in Western Europe, where we have closed down much of our aid operations. Our aid office in Italy, among other places, was recently closed. The fact that Italy today has one of the soundest, most productive economies in



Europe is eloquent proof of the value of economic assistance properly administered and properly used by the recipient country.

### **Rebuilding of South Viet-Nam**

It is of significance to all Americans, and particularly to the National Council of Catholic Men, that Ngo Dinh Diem, President of the Republic of Viet-Nam, is now paying a state visit to our country.<sup>3</sup> President Ngo was born of a central Viet-Nam family which was converted to Catholicism in the 17th century, a family which for many generations has produced noted ecclesiastics and administrators.

The remarkable rise of Viet-Nam from the apparently hopeless chaos caused by 8 years of bloody civil and international war and the continuing menace of predatory communism is due in large measure to the dedication, courage, and resourcefulness of this one man and to the support of his determined people. Our actions—political, economic, and military—have played an important supporting role.

To assist in the rebuilding of South Viet-Nam after the cease-fire arranged at Geneva in July 1954, large-scale aid was necessary. The United States was the only major source available. We recognized clearly that here was an important interest of the free world. About \$300 million of United States aid funds were obligated by our International Cooperation Administration for Viet-Nam during her first year of independence. By the middle of this year approximately \$763 million will have been programmed for South Viet-Nam since June 1954.

What has been the result of these massive efforts to help South Viet-Nam?

In just 2 years the threat of a Communist takeover, or a coup by rebel forces, both of which appeared highly dangerous in 1955, has been averted. Free Viet-Nam now has a strongly anti-Communist government, based on broad popular support. Substantial progress has been made in meeting the social, economic, governmental, and agricultural problems of the nation. The national army, trained, equipped, and financed with United States aid, has pacified the country, destroyed the sects, and greatly reduced the subversive potential of the Communists. Viet-Nam now has a consti-

tution similar in many respects to our own. A central bank and other institutions necessary for an effective free government have been established. Inflationary pressures have been held down.

Catholic Relief Services played a valuable role in the heroic evacuation of 860,000 refugees from North Viet-Nam. These people were resettled in over 300 new villages carved out of the forests and wildernesses of Viet-Nam.

Through the instrumentality of Catholic Relief Services in Viet-Nam the American people have poured out almost \$30 million worth of material supplies that, it is generally recognized, were in good part responsible for keeping these people alive in the first years following their exodus. Because of your help ancient villages of the Communist-held North have been recreated in the South. Sixty thousand Catholic school children are attending their Catholic village primary schools. Streets have been laid out, wells have been dug, medical services have been supplied to these people, through the device of 78 cooperatives. Wage earners have been put back to work, jungle lands have been turned into productive agricultural areas, fishermen have been provided with boats and nets, fundamental vocational training in the basic village arts has been established, the seminaries of 10 northern dioceses have been reconstituted, over a thousand refugee nuns from dozens of communities have taken up their work again in behalf of their fellowmen. Fifteen secondary schools are bringing the fruits of higher education to the children of these unfortunate people and three leper asylums are working in behalf of the most afflicted among them.

These accomplishments are, in one word, the corporal works of mercy. The beneficiaries of your charity are people in need, without reference to any other consideration. In an area where human concern is determined by a relationship of blood, millions of non-Catholics have either benefited by your charity or witnessed your ministrations to their fellow citizens. They have been edified by this. Thousands of them have come to know about the bonds of Christian love that can unite the members of the human family. I am proud to say that the high spirit of dedication that led these people to abandon all that was most dear to them for the preservation of their faith has been matched by the response of the American people in their hour of greatest need.

<sup>3</sup> *Ibid.*, May 27, 1957, p. 851.

Our political, economic, and military actions in Viet-Nam and Southeast Asia have helped stop the advance of the forces of international communism in Asia. Halfway around the world in Germany, another staunch defender of the free world, Chancellor Konrad Adenauer, declared at the recent NATO Ministerial Meeting in Bonn that the united strength and resolution of the free nations are the only means by which we can resist the further encroachments of the Communists. Chancellor Adenauer, like President Ngo Dinh Diem, a devout Catholic and leader of a divided nation, will be making an official visit to Washington at the end of this month.

### **U.S. Objectives**

In the world today our basic interests are clear. Many of them are expressed in our mutual security program and have been reflected by our actions in many vital world areas. Our objectives can be summed up somewhat as follows:

The onward march of Communist armies seems to have been arrested. It must not be revived. Further subversion of friendly countries must be prevented.

We value our allies and want them strong, not weak.

The economies of our allies and friends must not be permitted to degenerate into a chaos of galloping inflation caused by a defense effort beyond their economic capacity.

We plan to help the newly emerging nations develop in ways compatible with our own democratic system of free enterprise.

We are working to improve the balance of resources in favor of the free world.

The example of the United States and the principles for which our Nation stands should provide inspiration and encouragement for friendly peoples everywhere.

### **Mr. Dillon To Be U.S. Alternate Governor of International Bank**

The Senate on May 20 confirmed C. Douglas Dillon to be United States Alternate Governor of the International Monetary Fund and the International Bank for Reconstruction and Development for the term of 5 years.

## **Extending Tariff Concessions Under Article XXVIII of Gatt**

Press release 308 dated May 22

The next regular business session of the contracting parties to the General Agreement on Tariffs and Trade (GATT) in October is scheduled to consider the question of extending for an additional time after January 1, 1958, the period during which the tariff concessions contained in the agreement would not be modified or withdrawn under procedures of article XXVIII of the agreement except under special circumstances.

This is a question which is considered periodically, and agreement to such an extension would not prevent the United States from exercising its right to modify or withdraw tariff concessions for cause as it has in the past. The escape-clause provisions of article XIX of the agreement are not involved, nor would the action to be considered limit the use of procedures of article XXVIII in special circumstances.

With a view to preparing the United States position, the Interdepartmental Committee on Trade Agreements on May 22 invited public views on any aspect of such an arrangement.

In 1955, at the 9th session of the contracting parties to GATT, the signatory countries drafted an amended form of article XXVIII which provides for automatic extensions for successive 3-year periods of the undertaking not to use procedures of article XXVIII to withdraw or modify tariff concessions except in special circumstances.<sup>1</sup> Inasmuch as the amended article XXVIII would not take effect until two-thirds of the contracting parties had signed the pertinent amending protocol, the contracting parties in 1955 prepared a Declaration on the Continued Application of Schedules. In that declaration the signatories agreed not to invoke vis-a-vis each other, except in special cases, the provisions of the existing article XXVIII which provide a procedure for the modification or withdrawal of tariff concessions. The period covered by that 1955 declaration ends on December 31, 1957.

It is probable that the amended form of article XXVIII will still not be in effect by that date. The contracting parties, therefore, are expected to

<sup>1</sup> For a summary of the 9th session, see BULLETIN of Mar. 21, 1955, p. 495.



consider this October the desirability of making another supplementary arrangement under which they would, for a further specified period and except in special circumstances, refrain from modifying or withdrawing tariff concessions under the procedures of the present article XXVIII.

In conjunction with earlier such arrangements, the signatories had the opportunity of withdrawing or modifying individual concessions which they desired to withdraw before becoming a party to a new arrangement and of conducting among themselves whatever negotiations were necessary to furnish compensatory tariff concessions to take the place of the concessions withdrawn or modified. The United States has never made such modifications of its tariff concessions a condition of its agreeing to renew the assured validity of the schedules of tariff concessions in the general agreement, although on a few occasions certain United States concessions have been modified, during the period covered by a renewal, under the provisions for action in special circumstances. Beyond this, however, the United States has normally relied on the procedures provided in article XIX of the agreement, otherwise known as the escape clause, for such modifications or withdrawals as have been found necessary.

Agencies represented on the Interdepartmental Committee on Trade Agreements would appreciate receiving views from interested persons with regard to an arrangement for a new period in which article XXVIII would be invoked only in special circumstances. The interested agencies have invited views with regard to any aspect of the arrangement, including possible changes in individual concessions which the United States has obtained or granted, so that such views may be given careful consideration in connection with the formulation of recommendations to the President concerning the position which the United States should take in the matter.

To afford interested persons an opportunity to present any pertinent views, the Committee for Reciprocity Information, which has the same membership as the Committee on Trade Agreements, will hold public hearings commencing on June 18, 1957, in the hearing room, Tariff Commission Building, Washington, D.C.

Applications for oral presentation of views and information should be presented to the committee not later than June 11, 1957.

Written statements should be filed by June 18, 1957.

Further details concerning the submission of applications to be heard are contained in the attached notice of the Committee for Reciprocity Information.

All communications on this matter should be addressed to: The Secretary, Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D.C.

## **INTERDEPARTMENTAL COMMITTEE ON TRADE AGREEMENTS**

### **Consideration of New Period During Which Article XXVIII of General Agreement on Tariffs and Trade Will Not Be Invoked**

Pursuant to Section 4 of the Trade Agreements Act, approved June 12, 1934, as amended (48 Stat. (pt. 1) 945, ch. 474; 65 Stat. 73, ch. 141) and to paragraph 4 of Executive Order 10082 of October 5, 1949 (3 CFR, 1949 Supp., p. 126), notice is hereby given by the Interdepartmental Committee on Trade Agreements of intention to consider agreeing upon a further period during which the procedures under Article XXVIII of the General Agreement on Tariffs and Trade will not normally be invoked. In particular, pending the entry into force of the amended Article XXVIII of the General Agreement set forth in the Protocol Amending the Preamble and Parts II and III of the General Agreement, of March 10, 1955 (H. Rept. 2007, 84th Cong., 2d Sess. 191), consideration is being given to the conclusion of a supplementary agreement limiting the withdrawal or modification of concessions under Article XXVIII for a further period beginning on January 2, 1958.

Article XXVIII of the General Agreement (61 Stat. (pt. 5) A71; 3 U.S.T. (pt. 1) 618), which is one of the most important provisions of that agreement in relation to the firmness of concessions, permits a contracting party to the Agreement to modify or withdraw concessions on an individual basis on or after a specified date following consultation and negotiation with other contracting parties. This article was included in the agreement to enable a contracting party confronted with a necessity for modifying or withdrawing a particular tariff concession to do so without the necessity of withdrawing completely from the agreement. The article envisages that the balance between the concessions granted by the various contracting parties shall be maintained, preferably through the negotiation of new concessions as compensation for any modifications or withdrawals made, but through retaliatory modifications or withdrawals by other parties if agreement cannot be reached on new concessions.

Although Article XXVIII itself now provides that renegotiations under it may take place on or after January 1, 1954, contracting parties to the General Agreement have on a number of occasions undertaken by supple-

mentary agreements not to invoke the normal procedures of Article XXVIII except after a specified date. Similar provision is made in the amended Article XXVIII, which is not yet in force, for normal invocation of the article only periodically. Pursuant to the Declaration of the Continued Application of Schedules to the General Agreement, of March 10, 1955 (6 U. S. T. (pt. 5) 5815), which is the current supplemental agreement limiting the use of Article XXVIII, normal action under the article may not be taken before January 1, 1958.

No modification of Article XXVIII would affect the right of any contracting party to withdraw or modify individual concessions pursuant to Article XIX (commonly called "the escape clause") of the General Agreement.

Pursuant to Section 4 of the Trade Agreements Act, as amended, and paragraph 5 of Executive Order 10082, information and views may be submitted to the Committee for Reciprocity Information, in accordance with the announcement of this date issued by that Committee, as to any aspect of the proposal announced in this notice, including possible changes in individual concessions obtained or granted by the United States which might be negotiated prior to the effectiveness of any new supplementary agreement not to invoke Article XXVIII for a further specified period.

By direction of the Interdepartmental Committee on Trade Agreements this 22nd day of May 1957.

CARL D. CORSE

*Chairman*

*Interdepartmental Committee  
on Trade Agreements*

## COMMITTEE FOR RECIPROCITY INFORMATION

Consideration of New Period During Which Article XXVIII of General Agreement on Tariffs and Trade Will Not Be Invoked

Submission of information to the Committee

Closing date for applications to appear at hearings June 11, 1957

Closing date for submission of briefs June 18, 1957

Public hearings open June 18, 1957

The Interdepartmental Committee on Trade Agreements has issued on this day a notice of intention to consider agreeing upon a further period during which the procedures under Article XXVIII of the General Agreement on Tariffs and Trade will not normally be invoked. This Article permits a contracting party to the Agreement to modify or withdraw concessions on an individual basis on or after a specified date following consultation and negotiation with other contracting parties.

The Committee for Reciprocity Information hereby gives notice that it will receive views as to any aspect of the foregoing proposal, including possible changes in individual concessions obtained or granted by the United States which might be negotiated prior to the effectiveness of any new supplementary agreement not to invoke

Article XXVIII for a further specified period. Such notice specifies that no action taken pursuant thereto would affect the right of any contracting party to withdraw or modify individual concessions pursuant to Article XIX (commonly called "the escape clause") of the General Agreement.

All applications for oral presentation of views to the Committee for Reciprocity Information in regard to the foregoing proposal shall be submitted to the Committee for Reciprocity Information not later than June 11, 1957. Such applications shall contain an estimate of the time desired for oral presentation and, to the extent practicable, shall indicate the nature of the testimony. Written statements shall be submitted not later than June 18, 1957. Such communications shall be addressed to "Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D. C." Fifteen copies of written statements, either typed, printed, or duplicated, shall be submitted, of which one copy shall be sworn to. Written statements submitted to the Committee, except information and business data proffered in confidence, shall be open to inspection by interested persons. Information and business data proffered in confidence shall be submitted on separate pages clearly marked "For Official Use Only of Committee for Reciprocity Information."

Public hearings will be held before the Committee for Reciprocity Information, at which oral statements will be heard, beginning at 10:00 a. m. on June 18, 1957 in the hearing room in the Tariff Commission Building, Eighth and E Streets N.W., Washington, D. C. Witnesses who make application to be heard will be advised regarding the time and place of their individual appearances. Appearances at hearings before the Committee may be made only by or on behalf of those persons who have filed written statements and who have within the time prescribed made written application for oral presentation of views. Statements made at the public hearings shall be under oath.

By direction of the Committee for Reciprocity Information this 22nd day of May 1957.

EDWARD YARDLEY

*Secretary*

*Committee for Reciprocity Information*

## U.S. Delegations to International Conferences

### Caribbean Commission

The Department of State announced on May 21 (press release 303) that the U.S. Government will be represented by the following delegation at the 24th meeting of the Caribbean Commission to be held at St. Thomas, Virgin Islands, May 22-25, 1957:

#### U.S. Commissioners

Roderic L. O'Connor, *chairman of delegation and cochairman of Commission*, Deputy Assistant Secretary of State for Congressional Relations



Leonard Brewer, St. Thomas, Virgin Islands  
Arturo Morales Carrion, Under Secretary of State for the Commonwealth of Puerto Rico  
José Trias Monge, Secretary of Justice for the Commonwealth of Puerto Rico

#### Advisers

José Luis Colom, Director, Caribbean Area Program, Department of State, Commonwealth of Puerto Rico  
Anthony T. Lausi, Director, Office of Territories, Department of the Interior  
Frances McReynolds Smith, Office of Dependent Area Affairs, Department of State  
Cabot Sedgwick, Office of British Commonwealth and Northern European Affairs, Department of State

An outgrowth of the original Anglo-American Caribbean Commission, the Commission is an international advisory body. It serves to coordinate activities of the four member governments—France, the Netherlands, the United Kingdom, and the United States—in their efforts to improve the economic and social well-being of the inhabitants of their territories in the Caribbean area.

The principal items for discussion concern the work program, technical conferences, and technical assistance projects in housing, agriculture, home economics, fisheries, and education.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### International Court of Justice

Statute of the International Court of Justice (59 Stat. 1055).

*Notice of withdrawal of October 31, 1955, declaration recognizing compulsory jurisdiction:* United Kingdom, April 12, 1957.

*Declaration recognizing compulsory jurisdiction deposited (with conditions and reservations):* United Kingdom, April 18, 1957.<sup>1</sup> Effective until notice of termination is given.

##### Narcotic Drugs

Protocol for limiting and regulating the cultivation of the poppy plant, the production of, international and

wholesale trade in, and use of opium. Dated at New York June 23, 1953.<sup>2</sup>

*Ratification deposited:* Chile, May 9, 1957.

##### Postal Services

Universal postal convention, with final protocol, annex, regulations of execution, provisions regarding airmail, and final protocol thereto. Signed at Brussels July 11, 1952. Entered into force July 1, 1953. TIAS 2800.  
*Ratification deposited:* Peru, April 25, 1957.

##### Safety at Sea

Regulations for preventing collisions at sea. Done at London June 10, 1948. Entered into force January 1, 1954. TIAS 2899.

*Acceptance deposited:* Cuba, February 22, 1957.

##### War

Geneva convention relative to treatment of prisoners of war;

Geneva convention for amelioration of condition of wounded and sick in armed forces in the field;

Geneva convention for amelioration of condition of wounded, sick, and shipwrecked members of armed forces at sea;

Geneva convention relative to protection of civilian persons in time of war.

Dated at Geneva August 12, 1949. Entered into force October 21, 1950; for the United States February 2, 1956. TIAS 3364, 3362, 3363, and 3365, respectively.

*Adherence deposited:* Haiti, April 11, 1957.

##### Whaling

Protocol amending the international whaling convention of 1946 (TIAS 1849). Done in Washington November 19, 1956.<sup>2</sup>

*Ratification deposited:* United Kingdom, May 23, 1957.

### BILATERAL

##### Austria

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454, 455; 69 Stat. 44, 721), and related note. Signed at Vienna May 10, 1957. Entered into force May 10, 1957.

Agreement relating to a grant of agricultural commodities to Austria for Hungarian relief under title II of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454, 457; 7 U. S. C. 1721-1724). Effected by exchange of notes at Vienna May 10, 1957. Entered into force May 10, 1957.

##### Belgium

Agreement amending annex B of the Mutual Defense Assistance Agreement of January 27, 1950 (TIAS 2010). Effected by exchange of notes at Brussels April 15 and May 9, 1957. Entered into force May 9, 1957.

##### China

Agreement amending the agreement of June 25, 1952 (TIAS 2657) relating to guaranties for projects in Taiwan proposed by nationals of the United States, and providing war risk guaranties under section 413 (b) (4) of the Mutual Security Act of 1954, as amended (68 Stat. 832, 847; 22 U.S.C. 1933). Effected by exchange of notes at Taipei May 3, 1957. Entered into force May 3, 1957.

##### Ecuador

Agreement for the establishment and operation of a rawinsonde observation station at Guayaquil, Ecuador. Ef-

<sup>1</sup> Applicable to all disputes arising after Feb. 5, 1930.

<sup>2</sup> Not in force.

fectured by exchange of notes at Quito April 24, 1957.  
*Entered into force:* May 14, 1957 (date of signature of arrangement embodying the technical details).

## Finland

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454, 455; 69 Stat. 44, 721), and exchange of notes. Signed at Helsinki May 10, 1957. Entered into force May 10, 1957.

## Peru

Agreement for the establishment and operation of a raw-isonde observation station at Lima, Peru. Effectuated by exchange of notes at Lima April 17, 1957.

*Entered into force:* May 17, 1957 (date of signature of arrangement embodying the technical details).

# DEPARTMENT AND FOREIGN SERVICE

## Confirmations

The Senate on May 20 confirmed the following:

Don C. Bliss to be Ambassador to Ethiopia. (For biographic details, see press release 251 dated April 29.)

Joseph S. Farland to be Ambassador to the Dominican Republic. (For biographic details, see press release 257 dated May 1.)

Wilson C. Flake to be Ambassador to Ghana. (For biographic details, see press release 261 dated May 2.)

Robert C. Hill to be Ambassador to Mexico. (For biographic details, see press release 227 dated April 19.)

Walter P. McConaughy to be Ambassador to Burma. (For biographic details, see press release 253 dated April 29.)

Miss Frances E. Willis to be Ambassador to Norway. (For biographic details, see press release 198 dated April 9.)

## Designations

J. Gordon Mein as Director, Office of Southwest Pacific Affairs, effective May 20.

Roderic L. O'Connor as Administrator, Bureau of Security and Consular Affairs, effective May 28. (For biographic details, see press release 200 dated April 9.)

## Opening of Consulate at Belo Horizonte

A new consulate at Belo Horizonte, Brazil, was opened officially on April 4 and opened to the public on May 13. The administrative supervisory post is Rio de Janeiro. The consular district of Belo Horizonte comprises the entire State of Minas Gerais, Brazil.

## PUBLICATIONS

### Recent Releases

*For sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.*

**Double Taxation—Taxes on Income.** TIAS 3766. 33 pp. 15¢.

Convention between the United States of America and Honduras—Signed at Washington June 25, 1956, and exchange of notes—Signed at Tegucigalpa February 6, 1957. Entered into force February 6, 1957; operative retroactively January 1, 1957.

**Saint Lawrence Seaway—Navigation Improvements of the Great Lakes Connecting Channels.** TIAS 3772. 5 pp. 5¢.

Arrangement between the United States of America and Canada. Exchange of notes—Dated at Ottawa July 23 and October 26, 1956, and February 26, 1957. Entered into force October 26, 1956.

**Exemption of Merchant Vessels From Admeasurement Requirements.** TIAS 3774. 3 pp. 5¢.

Agreement between the United States of America and Venezuela. Exchange of notes—Signed at Caracas February 21, 1957. Entered into force February 21, 1957.

**Atomic Energy—Cooperation for Civil Uses.** TIAS 3775. 3 pp. 5¢.

Agreement between the United States of America and Sweden, amending agreement of January 18, 1956—Signed at Washington August 3, 1956. Entered into force March 12, 1957.

**Air Transport Services.** TIAS 3776. 22 pp. 15¢.

Provisional arrangement between the United States of America and Mexico. Exchange of notes—Dated at México March 7, 1957. Enters into force June 5, 1957.

**Surplus Agricultural Commodities.** TIAS 3777. 7 pp. 10¢.

Agreement between the United States of America and Thailand—Signed at Bangkok March 4, 1957, with exchange of notes. Entered into force March 4, 1957.

**Surplus Agricultural Commodities.** TIAS 3778. 2 pp. 5¢.

Agreement between the United States of America and Greece, amending agreement of August 8, 1956. Exchange of notes—Signed at Athens February 13 and 23, 1957. Entered into force February 23, 1957.

**Surplus Agricultural Commodities.** TIAS 3779. 3 pp. 5¢.

Agreement between the United States of America and Greece, amending agreement of August 8, 1956, as supplemented. Exchange of notes—Signed at Athens March 1 and 4, 1957. Entered into force March 4, 1957.



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### Check List of Department of State Press Releases: May 20-26

Releases may be obtained from the News Division, Department of State, Washington 25, D. C. Press releases issued prior to May 20 which appear in this issue of the BULLETIN are Nos. 265 of May 6, 283 of May 10, and 289 of May 14.

| No.  | Date | Subject                                                                     |
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| †311 | 5/22 | Eleanor Dulles: "The Significance of Berlin in the Study of Soviet Policy." |
| *312 | 5/22 | Educational exchange.                                                       |
| †313 | 5/23 | B-29 incident of Nov. 7, 1954.                                              |
| *314 | 5/24 | Revised program for Adenauer visit (rewrite).                               |
| *315 | 5/24 | Germans attending meeting of Benjamin Franklin Foundation.                  |

\*Not printed.

†Held for a later issue of the BULLETIN.

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# the Department of State

## *The Seal of the United States*

With the signing of the Declaration of Independence, a new nation was born, but its ability to maintain its independence had yet to be proved, and it needed a visible and tangible symbol of sovereignty. So, on that same memorable July 4, 1776, the Founding Fathers adopted the resolution, "That Dr. Franklin, Mr. J. Adams and Mr. Jefferson, be a committee, to bring in a device for a seal for the United States of America."

However, it took 6 years and two committees, with the new Nation's right to independence established on the battlefields of a long and bloody war, before a "device" for the emblem of sovereignty won the approval of the Congress.

The seal, as the symbol of sovereignty, is impressed upon certain official documents of state, thus authenticating at home and abroad various official acts of our Government. Many Americans have never seen or held in their hands a document bearing the impress of the seal of the United States, but none of us is ever far from its design in one or another of its official uses as decoration.

*The Seal of the United States*, a new publication, describes the history, design, and use of the great seal. The 14-page pamphlet is illustrated and contains a full-color reproduction of the seal, approximately five inches in diameter, suitable for framing.

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# Bulletin

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OFFICIAL  
WEEKLY RECORD  
UNITED STATES  
FOREIGN POLICY

THE DEPARTMENT OF STATE

# Bulletin

VOL. XXXVI, No. 938 • PUBLICATION 6504

June 17, 1957

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*The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.*

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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 19, 1955).

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# Visit of Chancellor Adenauer of the Federal Republic of Germany

*Konrad Adenauer, Chancellor of the Federal Republic of Germany, made an official visit to Washington from May 24 to 29. Following are the texts of a communique and joint declaration issued by the Chancellor and President Eisenhower at the conclusion of their talks, addresses made by Dr. Adenauer before the Congress, and a statement made by Acting Secretary Herter at the time of the Chancellor's departure, together with an announcement of the members of the official party.*

## COMMUNIQUE AND JOINT DECLARATION

White House press release dated May 28

MAY 28, 1957.

### COMMUNIQUE

The President of the United States and the Chancellor of the Federal Republic of Germany concluded today the cordial discussions they have conducted during the last several days, with the assistance of the Secretary of State and the German Foreign Minister, and other advisers.

These discussions permitted a comprehensive exchange of views concerning German-United States relations, the European situation, and the world situation. They have served to strengthen still further the close understanding and harmony of views already existing between the two governments.

As a result of their talks, the President and the Chancellor have issued a Joint Declaration regarding matters of mutual interest.

### JOINT DECLARATION

#### I.

The President and the Chancellor agreed that the basic aim of the policies of their two countries

is the maintenance of peace in freedom. To that end it is the common policy of their governments to work for the achievement of conditions in which all nations can live in peace and freedom and devote their energies and resources to promoting the welfare of their peoples.

They agreed that the realization of these conditions depends upon the removal of the causes of tension existing between the Soviet Union and the Free World. This tension is mainly attributable to the acts and policies of the Soviet Union, among them the deprivation of other peoples of their freedom.

The President and the Chancellor noted with great concern the consequences of the brutal Soviet intervention in Hungary. The continued suppression of the rights of the Hungarian people makes it difficult for other nations to accept as genuine the professed Soviet desires for peaceful coexistence.

The President and the Chancellor reaffirmed that the ending of the unnatural and unjust division of Germany is a major objective of the foreign policies of the two governments. Germany must be reunited on a free and democratic basis by peaceful means. If the Soviet rulers really desire peace and the relaxation of international tension, they can give no better proof than to permit the reunification of Germany through free elections.

The President and the Chancellor emphasized that the restoration of German national unity need give rise to no apprehension on the part of the Soviet Union as to its own security. It is not the purpose of their governments to gain any one-sided military advantage from the reunification of Germany. In conjunction with such reunification, they stand ready, as stated at the two Geneva conferences of 1955, to enter into European security arrangements which would provide far-reaching assurances to the Soviet Union.

## II.

The President and the Chancellor agreed that NATO is essential for the protection of the security of the entire free world. They agreed that the defensive strength of NATO must be further improved in the face of the continuing Soviet threat and the absence of a dependable agreement for major reductions of armaments. The German Federal Government will proceed as rapidly as possible with building up its agreed contribution to the Western collective defense system.

For the purpose of contributing its fair share to the defense of the North Atlantic area, the United States intends to maintain forces in Europe, including Germany, as long as the threat to the area exists. As the North Atlantic Council agreed at its recent meeting at Bonn, the Atlantic Alliance must be in a position to use all available means to meet any attack which might be launched against it. The availability of the most modern weapons of defense will serve to discourage any attempt to launch such an attack.

## III.

The President and the Chancellor expressed gratification over the significant progress made over the last several months toward closer economic integration in Europe. The Chancellor expressed his belief that the treaties establishing EURATOM and the European Common Market, signed at Rome on March 25 of this year, constitute a further step of historic significance toward European unity. The President expressed the great interest of the United States Government and of the American people in these treaties and his belief that their entry into force will benefit not only the people of Europe, but those of the entire world.

## IV.

The two governments are in agreement that efforts must be pressed in the United Nations to reach agreement on measures for disarmament, with respect to both conventional and nuclear weapons, under an effective system of international control.

The President and the Chancellor agreed that, if a beginning could be made toward effective measures of disarmament, this would create a degree of confidence which would facilitate further progress in the field of disarmament and in

the settlement of outstanding major political problems, such as the reunification of Germany.

They agreed that if such initial steps succeed they should be followed within a reasonable time by a comprehensive disarmament agreement which must necessarily presuppose a prior solution of the problem of German reunification. Accordingly, the Chancellor advised the President, as he has the French and British Governments, that the Federal Republic would consider that the conclusion of an initial disarmament agreement might be an appropriate time for a conference on the reunification of Germany among the Foreign Ministers of the four powers responsible therefor. The United States will consult with the French and British Governments regarding this matter.

The President stressed that any measures for disarmament applicable to Europe would be accepted by the United States only with the approval of the NATO allies, which he hoped would take a leading role in this regard, and taking into account the link between European security and German reunification. He assured the Chancellor that the United States does not intend to take any action in the field of disarmament which would prejudice the reunification of Germany. He stated that the United States would consult with the German Federal Government closely on all matters affecting Germany arising in the disarmament negotiations.

WASHINGTON, D.C.

*28 May 1957.*

## ADDRESS TO HOUSE OF REPRESENTATIVES, MAY 28

MR. SPEAKER, MEMBERS OF THE HOUSE OF REPRESENTATIVES: I am deeply conscious of the honor of speaking before you, the elected representatives of the strongest and freest nation on earth; and with all my heart I thank you for this distinction. I know that I do not stand here for myself alone, but for all my countrymen. What I am going to say, therefore, is meant as a message from them to the great American people.

The Federal Republic of Germany is young—not quite 8 years old. It is still incomplete and will remain incomplete as long as reunion with the 17 million Germans living in the Soviet-occupied zone has not been effected. We have been



sovereign for 3 years; only since then have we been the masters of our political decisions.

When totalitarian national socialism collapsed, after having inflicted unspeakable suffering on the world and the German people, it left chaos behind. There were millions of dead and crippled, 10 million people who were expelled from their ancestral homes in the German East, burned cities, industries and lines of transportation destroyed, the economy ruined, an administration functioning on an emergency basis only, desperate human beings, and, above all, a younger generation dangerously exposed to pernicious nihilism.

The German people went to work, supported in their first steps by the Western occupation powers, who gradually became our allies and friends. They reconstructed their homes, factories, stores, highways, and railroads. The German people worked hard and with self-discipline. They received invaluable help from outside sources, both public and private, and especially from the American people. The great work of the Marshall plan, undertaken 10 years ago, will never be forgotten by Europeans. It is my heartfelt desire at this hour to express our gratitude for all of this.

Consciously and deliberately, rejecting all totalitarian thoughts and aims, we began to erect our Federal Republic in that part of Germany in which freedom and human rights could be reestablished; we created this Republic on the unshakable foundation of democracy—with the inspired words of Abraham Lincoln in mind—"government of the people, by the people, for the people." Freedom, respect for the inalienable rights of the individual, and the principle of the rule of law—this is the credo of our constitution. In this respect we could revert to the best traditions of our people. Our economy was organized on the principle of competitive free enterprise and social justice. We call this economic system the social market economy, and it combines free enterprise with social responsibility. The economic consequences of war destruction we endeavored to distribute equitably on many shoulders, in our thoroughgoing equalization-of-burdens law.

The greatest problems, however, were posed for us by the world around us, that is, the international situation. The world of which our new

Federal Republic had to become a part was divided into two camps. The situation confronted our people with the most important decision it has ever had to make. Without hesitation we decided—and this is the meaning of the first parliamentary elections in 1949—for freedom against slavery, for the dignity of the individual against the collective mind, for rule by law against arbitrary dictatorship. Since 1953 there has not been a single Communist in our freely elected parliament.

In repeated decisions of their own choice the people of the Federal Republic by a large majority have confirmed that our nation constitutes an inseparable part of the free world. The basic expression of this attitude is our allegiance to the unity of Europe. Therefore we became a member of the Strasbourg Council of Europe and the OEEC. We participated in the creation of the European Coal and Steel Community, in the attempt to create a European defense community and a European political community, and we hope that the common market and EURATOM will soon be ratified by the parliaments of all six countries concerned. We have participated in all these works, knowing that they mean an indissoluble bond to the world of freedom.

As early as 1948, when our constitution was drafted by the Constituent Assembly—the Parliamentary Council under my presidency—we made a provision whereby parts of our sovereignty could be transferred by a simple law to a European community. This was a renunciation of the concept that national sovereignty is still a principle suitable to the establishment of a political order in Europe. This principle has cost Europe dearly in the many wars of the past.

With the free world we share the dangers which threaten it, dangers to peace. As a country whose very arteries are now cut—by the Iron Curtain—we are vividly aware of these dangers. Therefore we need safeguards. We find these safeguards within the powerful North Atlantic alliance, whose main support is the moral, political, economic, and military strength of the United States. NATO, in accordance with the principles of the United Nations, is an instrument for the preservation of freedom. The Western World created it after the Soviets almost completely paralyzed the security mechanism of the United Nations which had been devised with so much care and idealism.

In our strenuous efforts to make our contribution to the military strength of the alliance, we, too, have nothing else in mind but the defense of our liberty. On my word before God, nobody in Germany plays with the idea of using force or war, and this includes the use of force in the question of German reunification, which we desire so ardently. Still fresh in our memory is the horror of the nights of bombing during the Second World War and the terrible devastation of our country.

That is why in our sincere love for peace we follow with such acute attention and sympathy the efforts of your Government by an overall controlled disarmament to diminish the danger of war. These efforts, coupled with elimination of the causes of tension in the world—characterized, most of all, in defiance of reason, justice, and morality, by the division of my country and its courageous capital, Berlin—must in the end give to mankind the security for which it longs and to which it is entitled in order to live according to its true destiny, to the highest principles of humanity. Without real effort, however, and without the sincere cooperation of the free peoples we know that this objective will never be attained.

These are only the most essential facts and motives that may help you to understand us—that is, what we are and how we act. Let me attempt to sum up with a statement that gives me much pleasure:

The understanding and agreement—I daresay the cordial friendship—that exists today between the American and the German people is not the product of an accidental coincidence of transient interests. It rests on the common ground of profound convictions. It rests on the only power that moves free human beings to unite their destinies lastingly—it rests on confidence. The German people trust in you. Preserve your trust in them. This I ask of you.

#### **ADDRESS TO SENATE, MAY 28**

##### **Translation**

MR. PRESIDENT, MEMBERS OF THE SENATE: I am very grateful for the opportunity you have accorded me to speak before you. This opportunity is an honor for me and my country. I wish to use it to outline in a few words the general direction of our foreign policy.

I hope, in this way, to contribute to a clear understanding which is the basis of genuine trust. At the same time I hope to make clear how deeply related are the basic principles characterizing American policy and German policy.

The first principle, the guiding motive, of our policy is freedom. There may be differences of opinion on the methods by which freedom may best be assured and preserved. Although the Government led by me may consider dangerous some of the foreign policy solutions advocated by other political parties and groups, there is no difference of opinion among Germans in the sincere desire for freedom. Since the Bundestag elections of 1949, it has been clearly demonstrated where the Federal Republic of Germany stands in the great worldwide conflict between freedom and slavery. This is the deeper meaning of the decision taken at the polls by the German people in 1949.

When the German people regained their statehood and once more were able to exercise their own free will, the world was split into two camps and the border separating the free world from the Communist orbit ran through the heart of our country, dividing our people. It separated ancient German territory from us, land from which currents of creative spiritual life have enriched our Western civilization. The German people did not hesitate to make an unequivocal decision. Since the elections of 1953 there has not been a single Communist in our freely elected parliament. Two grievous experiences influenced the choice of the German people: the experience with a totalitarian dictatorship imposed on us during the National Socialist regime and the daily contact with the reality of communism in the form of a Communist dictatorship in the Soviet zone of Germany. But the German people have expressed their will for freedom not only by the rejection of totalitarianism but by the positive decision to form as close an alliance as possible with the other free peoples of the world. There is no more emphatic manifestation of this will than the policy of European integration consistently endorsed by the great majority of the German people and their elected representatives—a policy which the Federal Republic has pursued since its inception.

The Federal Republic has participated in all the European organizations set up in recent years:



the Council of Europe, OEEC, and the Coal and Steel Community. These integrated communities, the Coal and Steel Community and the communities of the common market and of EURATOM, which we hope will soon come to life, are particularly characteristic because in these organs the Federal Republic renounces part of its national sovereignty in the interest of larger European communities. It reflects great credit on the foresighted ones among the drafters of our constitution that we can state today that our basic law already contained a provision permitting the transfer of sovereignty by simple majority vote in Parliament. That was a great decision. It meant no less than a repudiation of the idea, no longer valid in a disintegrating world of European polities, that the sovereign national state is the ultimate and highest entity of political organization—an idea which has cost Europe so much blood and treasure. We are glad that the idea of a larger European patriotism has formed roots, particularly among our young people. Through the medium of these European organizations our alliance with the free world has become truly unbreakable.

Our second goal is peace. The horrible experiences of the recent World War have left their marks on the German people. The millions of dead, the horrors of total war in which the hinterland is no longer left untouched, the terrible destruction of our cities, the ruin of our economy, the collapse of the administrative structure—all this is still alive in the minds of the German people. But since peace—according to the famous dictum of the German philosopher Immanuel Kant—is not a natural condition among the peoples but the result of a conscious effort of man, our policy has seized on all possibilities open to it to secure peace. With the creation of the United Nations mankind took a tremendous stride forward toward securing peace and justice in the world. This objective has not been attained as yet, because the Soviets have paralyzed the security mechanism of the United Nations by innumerable vetoes. As a result, an effort had to be made to bring about this security by the establishment of organizations parallel and supplementing the United Nations. The charter of the United Nations, in wise foresight, has shown a path toward this end by confirming the right of individual and collective self-defense. This path

logically led to the foundation of the Atlantic community. The Atlantic community is an instrument of peace because it is designed to deter any aggressor. It achieves this aim by coordinating and developing the armed strength of the free West in such a way that any aggression becomes too big a risk for the aggressor. This consideration has caused the Federal Republic to become a member of the Atlantic community. Militaristic tendencies are far removed from our purpose and aggressive intentions even more so! Since we consider all our endeavors in the military sphere solely as defense efforts, we follow all the discussions on measures to bring about controlled disarmament with lively and positive interest. If these efforts are combined with elimination of the causes of tension in the world, they must, in the end, bring to the world the blessing it so ardently desires: the safeguarding of peace.

The third basic principle of our policy is unity. You know of the heavy and oppressive burden weighing upon us because many millions of Germans are forced, against all justice and moral principles, to live separated from us and under Communist terror. In order to understand this fully, one must realize that what is at stake here is not merely a border problem which can be discussed and settled among neighbors. We are faced here primarily with a human problem—the arbitrary manner in which a people is torn apart—parents separated from their children, unable to see them except under extreme difficulty and danger. Millions of people are forced to live under a regime of lawlessness, arbitrary rule, and slavery.

The German Republic will be incomplete as long as it is confined to the territory of the Federal Republic. Let us recall the circumstances under which the Federal Republic was founded. After the moral and material collapse into which the National Socialist regime led us, the victorious nations assumed supreme power in Germany. The three Western occupation powers, faithful to the responsibility which they shouldered at the same time and to their principles which were also the principles of the United Nations, proceeded to rebuild a German state on a democratic basis. The Soviet Union, on the other hand, misused its trusteeship and subjugated the Soviet-occupied zone to a subservient, satellite regime of Communists—a regime which had the backing of only

an infinitesimal percentage of the population as was demonstrated during the popular uprising of June 17, 1953. Thus it happened that the Soviet zone did not participate in the development which gradually transformed Germany from an object of foreign rule into a responsible subject in the community of nations governing itself in accordance with democratic principles.

Therefore, we demand reunion with 17 million fellow Germans—people who are as German as we are and as freedom-loving as we are, and who are no less entitled than we are to determine their own political destiny; we demand from the fourth of the victorious powers only that which the other three, in loyal fulfillment of the responsibility assumed by them when the German state collapsed, have long since conceded of their own free will. Thus, our demand is basically a democratic one, for the essence of democracy is to grant to a people regarding themselves as an entity that form of government which will permit them to live as a responsible member of the international community; and it is at the same time a requirement of any general policy aiming at the preservation of peace, for only the establishment of an all-German government would permit the conclusion of a peace treaty. This would endow Europe with that just and enduring political order which today—12 years after the war—is still denied to it.

Political action is the art of bringing to life those concepts which have been recognized as the ethical foundation of justice. Freedom, peace, unity—these are the aims of our policy, a policy designed to give effect to the great ideals that determine the progress of humanity.

#### **STATEMENT BY ACTING SECRETARY HERTER**

Press release 325 dated May 29

**MR. CHANCELLOR:** It is my honor to bid you farewell on behalf of President Eisenhower, Secretary Dulles, and the American people.

Your visit here has been of great significance. The results are reflected, I believe, in the comprehensive joint declaration issued yesterday from the White House by you and President Eisenhower. This important document demonstrates

the broad area of agreement which exists between our two countries with regard to the policies we will follow in promoting our basic objective of freedom and peace for all mankind.

Along with the opportunity which your visit has afforded for a thorough discussion of the great problems confronting the free world, we have had the satisfaction of our cordial personal contacts with you and the other members of your party. I think that the real substance of the close understanding between the leaders and peoples of our two countries finds its best reflection in the personal trust and understanding that have characterized our relationship with each other. In this sense all of us who have had any part in the events and activities of your visit can feel rewarded.

And now, Mr. Chancellor, permit me to wish you a safe and speedy journey and to ask you to convey to the German people upon your return home the best wishes of the people of this country.

#### **MEMBERS OF OFFICIAL PARTY**

The Department of State announced on May 24 (press release 314) the members of the official party for the visit of Chancellor Adenauer to Washington, May 24–29. They are as follows:

Dr. Konrad Adenauer, Chancellor of the Federal Republic of Germany  
Heinrich von Brentano, Minister of Foreign Affairs of the Federal Republic of Germany  
Heinz L. Krekeler, German Ambassador  
Wilhelm Grewe, Assistant Secretary for Political Affairs, Foreign Office  
Felix von Eckardt, Director, Federal Press Office  
Mrs. Libeth Werhahn, daughter of the Chancellor  
Georg Adenauer, son of the Chancellor  
Count Georg von Bandissin, Officer in Charge, NATO and Disarmament Affairs, Foreign Office  
Josef Selbach, Personal Aide to the Chancellor  
Georg von Lilienfeld, American Desk Officer, Foreign Office  
Peter Limbourg, Executive Assistant to the Foreign Minister  
Swidbert Schnippenkoetter, Executive Assistant, Foreign Office  
Karl-Guenther von Hase, Officer in Charge, Press Relations, Foreign Office  
Comdr. Bernd Klug, Defense Ministry



## Secretary Dulles' News Conference of May 29

Press release 323 dated May 29

*Secretary Dulles:* I have just learned that the White House has announced the prospective resignation of Secretary Humphrey as Secretary of the Treasury. I want to express my deep regret that he has felt it necessary to return to private life. We have had, I think—at least from my standpoint—a very ideal Cabinet relationship. He has worked vigorously, ably, and intelligently for what he regarded as sound fiscal policies; I have tried to work with equal ability for what I regard as sound foreign policies. Occasionally, although only rarely, our ideas did not readily coincide. But when we got together and talked things over, we always found a solution which was, I think, compatible both with sound foreign policy and with sound fiscal policy. And I think never in the period of more than 4 years that we have served together have we ever had a difference which we had to bring to the President to resolve between us. We always settled our differences face to face. And out of that has grown a very deep friendship and respect, which will continue on even though he no longer serves in the Cabinet.

Now for your questions.

*Q. Mr. Secretary, it seems like an appropriate time to ask you a question which comes up from time to time at these conferences. What are your own personal plans for the future?*

*A.* My personal plans for the future are to serve as Secretary of State. (Laughter)

*Q. For the remainder of this administration, Mr. Secretary?*

*A.* Well, I am not making plans that run ahead as much as nearly 4 years. That's quite a long time for anybody to plan. And I hope you will not draw any inferences from that, one way or another, because none are intended.

### London Disarmament Talks

*Q. Mr. Secretary, to come to a question of the substance of policy, as I guess that is the way you would put it, you are familiar now with Chancellor Adenauer's views on disarmament negotiation. The Chancellor said in a news conference yesterday that he thought German territory should not become involved in a first-stage disarmament agreement. Is it your understanding that any first-stage disarmament agreement which we might propose in the London talks would have no bearing on German territory?*

*A.* They would have no bearing on German territory except to the extent and to the degree that the Federal Republic wanted them to have a bearing on German territory.

You may recall that at my last press conference<sup>1</sup>—I think 2 weeks ago—I spoke of the fact that the extension of the first stage to Europe would, I thought, involve very considerable political difficulties. And I think that what Chancellor Adenauer has said confirms the thought that I then expressed. I believe that in this disarmament task the important thing is to get going somewhere, somehow, just as rapidly as possible, and that unless we do that it will be very difficult to stem the tide of ever-mounting military armaments and to check the armament race. The important thing is to get started in another direction. And I think myself that the scope of the initial start is less important than the fact of making some initial start and that, therefore, we should try to start where there are the minimum of political complications.

Now Governor Stassen has a very considerable degree of flexibility in that respect, and whether or not the initial start includes Western Europe will

<sup>1</sup> BULLETIN of June 3, 1957, p. S94.

primarily depend upon the Western European countries themselves. You have already heard the views of the Chancellor in that respect. No doubt other Western European countries will have their views. It is not the desire or intention of the United States to try to impose its views upon the Western European countries.

*Q. Mr. Secretary, prior to the Chancellor's public remarks yesterday was it your understanding from your private talks with him that his view was as firmly negative as it appeared to be in public on the inclusion of Germany in any first-step aerial inspection scheme? You said before that you had not excluded it, although you did say it would be more difficult. He appeared to exclude it absolutely in any first step.*

A. Well, I would not want to attempt to qualify or weaken in any way anything the Chancellor said for himself. He speaks clearly, authoritatively, and anything that we said in private I think ought not to be drawn out in any effort to derogate in any way from what he said himself publicly on this subject.

*Q. Mr. Secretary, what position did you and the President take in relation to Big Four talks while you were talking with Adenauer? The communique<sup>2</sup> only said, I believe, that the United States would talk with Britain and France about it.*

A. We said that we would do so, and I believe that the Federal Republic itself has also approached the Governments of the United Kingdom and of France. I think it should be clearly borne in mind that the talk which the Chancellor suggests between the four powers is not anything that is just around the corner. It is a talk which he contemplates should take place upon the conclusion of the first phase of disarmament talks, and the conclusion of those will at best, I think, be a somewhat protracted effort. And, therefore, we are not, I think, thinking about anything that may happen within the next few weeks or even the next few months.

*Q. Mr. Secretary, is it your understanding that Governor Stassen's instructions are to negotiate—to attempt to negotiate—a first-step agreement with the five powers on the London subcommittee, or even a larger group; or strictly a bilateral ar-*

*range ment between the United States and the Soviet Union?*

A. It would not, as I now see it, be a bilateral arrangement with the Soviet Union. I think it would be difficult to devise any significant first step which was merely a bilateral arrangement. Even if you take, for example, what I gave for illustrative purposes, the Arctic area; that, of course, involves Canada to a very considerable extent, it might involve Denmark to a very considerable extent in relation to Greenland; so that a disarmament agreement could not even to that extent be bilateral. Also, aspects of it which relate to nuclear weapons production would almost surely involve other states. Therefore, it could not effectively, I think, be a purely bilateral arrangement.

*Q. Mr. Secretary, did Chancellor Adenauer bring up at all the question of German property which has been seized by the United States Government in the World War?*

A. Yes, he mentioned that. I think he reported that at his press conference yesterday.

*Q. Mr. Secretary, on this disarmament, I wonder if I could ask you a question as to whether or not the Chancellor's views changed the American position at all in the London talks?*

A. Well, it is difficult to say that one's point of view is not always to some extent changed by an exchange of views with other people, particularly a person of as positive views and of as respected views as the Chancellor. I would say that insofar as the instructions given to Governor Stassen, as our representative there, are concerned, the exchange of views which we had did not involve any alteration of the guiding instructions given to Governor Stassen.

*Q. Mr. Secretary, do you think that the injection of the German question into the disarmament talks at this stage might not prejudice the progress of the first-phase negotiations?*

A. Well, I don't quite get the point of that. I think that it can be said, and I think that it would be plausibly said, that to make the reunification of Germany a condition precedent to any steps in disarmament would certainly prejudice any early completion of the first stage.

*Q. Isn't that what we have done in a sense?*

<sup>2</sup> See p. 955.



A. Chancellor Aduanauer has said that he does not think that the first stage should deal with matters which might have an impact upon the reunification of Germany; therefore, I think it means that this very complicated and difficult problem of the reunification of Germany would not perhaps, according to his views at least, be included in the first stage.

#### **Riots on Formosa**

*Q. Mr. Secretary, do you expect that the riots on Formosa will lead to any change of policy by the United States in dealing with the question of the Nationalist Government, or on a broader level would it affect our policies in the Far East generally?*

A. I do not think it will involve any change of our basic policies in the Far East or our policies toward the Nationalist Government. It would perhaps accelerate the kind of studies which were already under way as to how to minimize somewhat the inevitable tensions which arise when large numbers of forces—troops particularly of a foreign country—are quartered on foreign soil. That is a very delicate and explosive issue, and it has been under study for some little time to see whether those risks could be mitigated. I think that aspect of the matter will involve some changes. I hope it will. But as far as the political policies are concerned, I do not anticipate any change.

*Q. Mr. Secretary, have you made a judgment that the presence of large numbers of American troops on Formosa was the underlying cause for the rioting?*

A. Well, we had not yet made any final conclusion because the evidence is not all in. But insofar as there is available evidence, it would seem to me to indicate that that is the basic cause of the trouble.

*Q. I wanted to ask a question on the problem of troops in other countries. We have a tense situation in Japan over the Girard case which involved a court-martial proceeding or an argument over which country would try the sergeant. Could you give us your thinking on the Girard case as it affects Japanese relations?*

A. Well, there would be a definite conclusion on that matter probably in the early future. But

at the present time I would merely say that that matter is being studied very carefully at a high level. Of course, the issue involved in that particular case is not merely the question as to whether under the status-of-forces agreement Japan or the United States should exercise jurisdiction. That matter was gone into very thoroughly, and a decision was reached last March by the representatives of the United States to waive jurisdiction in that particular case.

Now, this waiver practice is one that has been very widely followed. I think that within the last 3-year period of which I have the figures in mind there were approximately 12,500 cases. The Japanese waived jurisdiction in over 12,000 of them. The waiver procedure is quite general where there is perhaps concurrent jurisdiction, and that procedure was followed in this particular case by a waiver by the United States. So the case had gone somewhat beyond the preliminary stages.

*Q. Mr. Secretary, in connection with the Formosa rioting there have been reports that the Chinese Nationalist Government had actually encouraged publicity in connection with its protest against the acquittal of the GI in the independent reports from Taiwan. Have you any evidence of the Chinese Government in any way contributing to the stirring up of the emotions?*

A. No, we have no evidence to indicate they contributed toward it. Perhaps they were not as vigilant as they might have been to try to take measures to keep the situation under control. They may have miscalculated the explosive character of the situation and of the crowds who gathered in front of the various United States buildings.

You know this question of foreign troops is a very, very difficult question. If I can just take a minute, I might tell you a little episode which is deeply engraved in my mind. It was in Paris, in the winter of 1918-19. I was there with the U.S. delegation at the Peace Conference. We were in the Hotel Crillon, and the pavements in front and around the Hotel Crillon were guarded and controlled by U.S. Marines.

I remember coming in one night. There was an old bent French woman with a cane, and she was berating, and waving her stick at, one of these American Marines and trying to drive him away and crying out, "This is *my* home." This

was late at night and raining, and there wasn't a crowd around. But I suspect, if there had been a crowd around, she would have had a lot of sympathy. And that happened just a few weeks after the armistice. The American troops had barely stopped the fighting, with very heavy casualties, for liberating France. I always remembered the picture of that French woman, that rainy cold night, tackling this Marine with her little cane, which she had to prop herself up with.

Well, I think we have to realize this is a very, very difficult problem—a worldwide problem—and we have to find better ways than we have yet found to cope with it. It occurs almost everywhere. And it is particularly likely to occur in a country which has been, in the past, subject to extraterritorial privileges and which has resented them and has a strong feeling against them. It is not at all surprising that there should be manifestations of this sort.

I do not think they go to the fundamentals of our relationship in any way with the National Government of China, but they are incidents which are likely to occur. They are unfortunate. We have to take better steps to deal with them. And the facts in this particular case were such as, I think, tend to arouse extreme nationalist feeling.

Of course, we know the Chinese are given to that sort of thing. We have had antiforeign outbreaks in China for a long time. You remember the Boxer outbreaks of 50 or 60 years ago. I don't regard this as anything indicating anything particularly new. Rather, I regard it as indicating something that is very old—a sentiment which is deeply embedded in all people and particularly embedded in the Chinese people.

*Q. If I may pursue that question. You say you have been studying this for some time. Can you tell us whether there is any imminent overall administrative policy likely to be promulgated to deal with this situation?*

A. There is an overall administrative study which has been going on for a good many months to deal with this whole problem of our so-called overseas bases and forces abroad. I expect some report will be made from that study within the next few months, and probably decisions will then be taken on the basis of it.

*Q. In that connection, Mr. Secretary, the Philippine bases negotiations have been stalled on*

*the very same point. Will this be pertinent to that negotiation?*

A. This study?

*Q. Yes.*

A. Well, the study is not primarily directed to the status-of-forces agreements as such. The study will bear upon the question as to the extent to which we really need as much territory, or area, as we now use for bases—whether we actually need as many troops as we have there—whether there are not excesses which can be pared down without in any way injuring, and perhaps in the process increasing, the defensive value of those bases for the free world.

*Q. Mr. Secretary, when you were talking about the Girard case, you said that the decision on jurisdiction was reached last March to turn the man over to the Japanese authorities. Is it correct to interpret your remarks this morning as saying the high-level study that is going on now on the Girard case specifically is not concerned with who should have jurisdiction but with the political aspects of the case? I am not clear on that.*

A. We are studying all aspects of the case. I merely pointed out the fact that last March there was through the normal processes a decision reached that the United States waived jurisdiction and the Japanese authorities were notified accordingly.

*Q. Mr. Secretary, is it our intention to provide any aid to Syria in view of Jordan's charges that Syria and the Communists are plotting to destroy Jordan?*

A. As far as I recall, we have not had in mind recently and do not now have any program for aid to Syria.

*Q. Mr. Secretary, in regard to the Formosa rioting, some reports have said that the code room in the Embassy was broken into by persons equipped with certain types of hacksaws and what not, which would hardly be spontaneously found in the streets. Do reports indicate that to be true, and was there a serious compromise of American codes, as has been reported?*

A. Our reports indicate that is not the case, and I just had a report this morning that there had been no compromising of our code facilities.



*Q. Mr. Secretary, now that comparative calm seems to prevail in the Middle East, could you give us your own personal estimate of the chances for a more permanent solution of the Suez Canal issue or the Israeli-Arab conflict?*

A. It is extremely difficult to make any quick appraisal of those chances. There are so many factors which interlace, and you start to go down one path and then you see something cuts across it and you go along that way, and then you see something else. I wouldn't want to hazard a guess. I would say this: There are some slight indications, I think, that the time may be approaching when some of these basic problems can be dealt with without some of the intense emotionalism which has prevented any progress in the past. But you will see, if you think back to what I said, it is a highly qualified statement, in which I think I said "slight" and "maybe."

#### **Trade With Communist China**

*Q. Mr. Secretary, would you give us an estimate of what is happening in Paris on the trade question with Communist China? I understand the negotiators there have reached an impasse.*

A. Well, I am afraid you may be right, and I believe a statement will be made probably tomorrow about it.<sup>3</sup> But in accordance with what I understand to be the practice of asking countries not to make unilateral statements while the meetings are still going on, I think I will have to ask you to wait until you get that statement, which I think will be forthcoming tomorrow on that matter.

*Q. Mr. Secretary, will this statement be coming from the Department here or Paris?*

A. I think from the Department here. There is a draft statement being worked on here. But I think we are not supposed to give it out until tomorrow.

#### **First-Stage Disarmament Agreement**

*Q. Mr. Secretary, I would like to go back to the question of disarmament because I am not clear about the relation of the United States policy and views expressed by Chancellor Adenauer. Let me put it this way: Does present U.S. pol-*

*icy ascribe a top priority, or a first priority, to the idea of an inspection zone in the Arctic area rather than in Europe?*

A. We attach a top priority to getting a substantial inspection zone wherever we can get it quickly. Now, if we can get it quickly in relation to Europe, that is acceptable to us. If we can't get it quickly in relation to Europe but could get it quickly as regards some other area which is substantial enough so that it involves a real test of good faith and enables the significance and the requirements of aerial and ground inspection to be tested out, then we take that other area. In other words, we are not set upon any particular area. What we are set upon is trying to get something started quickly; and as far as we are concerned, we will take any area which is sufficiently free of political complications so that the whole process does not get bogged down.

I believe this is a situation where we should try to bring under control the thing which is controllable as rapidly as possible. The question as to what the area is should be determined, in my opinion, not by theoretical considerations but by the question, what is the substantial area where it is possible to get going with the greatest rapidity and with the least political complications?

As I indicated 2 weeks ago, before I had this exchange of views on this with Chancellor Adenauer, we foresaw, and it took no great vision to do so, there would be quite a lot of complications in finding a European area where you could get quickly started. There are all sorts of problems in Europe. There is the problem of unification of Germany; there is the problem of NATO strategy. You have got quite a number of countries involved in that area. So you have a multiplicity of parties. For all these reasons I foresaw, and indicated, it might not prove to be the case that the European area would be included in the first step.

That is not because we don't want to have it included in the first step. It is merely a question whether that can be done quickly enough to stem the tide and to give the people faith to believe that something can come out of the disarmament talks. I don't think you can go on talking and talking and talking for year after year and not get anywhere. I think there has got to be some

<sup>3</sup> See p. 967.

progress made in order to keep these talks alive. I think, if you make progress to some appreciable degree, that in itself would make it possible to make progress to a larger degree. That basically is the concept which Governor Stassen carried back with him.

As you know, he is in Paris today with his associates on the disarmament subcommittee—at least the Western powers associates—to discuss this whole problem at the NATO Council meeting.

*Q. Mr. Secretary, in view of Chancellor Adenauer's views on this and your own statement about the political complications in Europe is it not now clear that Europe is not a place where you can get some kind of inspection zone quickly, and does that not limit our efforts to something like the Arctic Circle?*

A. Well, I don't want to be the one that pronounces anything like a death knell on including Europe in the initial stage. I think one has to take into account the views that the Chancellor expressed here yesterday, and undoubtedly other European countries will have views. They may want to exchange views with Chancellor Adenauer. Perhaps as a result of that exchange of views the situation will alter. I would not be the one—it would neither be appropriate nor timely for me—to say that the initial stage will not include Europe. I see lots of troubles in including Europe in the first stage. But if the Europeans can clear up those troubles so they can get started there, we are happier.

*Q. Mr. Secretary, to follow that point, do you think it would be easier for Chancellor Adenauer to adapt his views a little closer to those of the United States after the September election in Germany? (Laughter)*

A. I wouldn't want to ascribe to the Chancellor any important political views as being motivated by political considerations.

### Types of Inspection

*Q. Mr. Secretary, aren't there two things in inspection in this agreement, the aerial inspection and inspection for disarmament such as may be agreed upon?*

A. You have in the whole package several kinds of inspection. You have a certain amount of

what you might call fixed patrols, which go along with the aerial inspection. You may remember that at Geneva, when President Eisenhower made his proposal for an aerial inspection, the Soviets made a proposal for fixed ground patrols at key points. Later on the President indicated that he would be glad to accept that as part of the program, and to that extent the aerial inspection and your fixed ground patrols of important positions go along *pari passu*. Then you have the question of whether, if you agree that the future production of nuclear material shall not be used for weapons purposes—you have got the problem of establishing an adequate control and inspection system to check and verify that. Then you have the question of whether, if certain conventional weapons are taken away from the national forces and put into some internationally supervised warehouse or depot, you have to have some inspection on that. Then at some stage you may have to have roving inspection teams to go about a country to verify whether certain elements of the disarmament agreement have been carried out. You have a whole series of inspection possibilities. You have to have a communications system established also, because there is no use having people in an area—flying over an area—if, assuming they detect something significant, they have no method of getting the message quickly back. So there is a whole complicated system, a complex problem, and there is no one method alone which is sufficient.

*Q. Mr. Secretary, has not Chancellor Adenauer already said that he would accept aerial inspection over West Germany if it were not confined to West Germany? Did he express any such view to you?*

A. Well, I think that that is a question quite apart from whether or not the European area and the Federal Republic of Germany is included in a so-called first stage or subsequent stage.

*Q. He meant a subsequent stage rather than a first stage?*

A. I don't know. I am not familiar with the quotation you give me, and I wouldn't want to interpret it.

*Q. Is it your understanding that he does not favor aerial inspection over Germany in the first step? Is that correct?*



A. Well, I read and you read, I guess, what he said yesterday.

*Q. Mr. Secretary, on another point here, at the news conference yesterday Chancellor Adenauer said flatly it was his understanding that the United States was not going to propose including Germany in a first-stage agreement. He said the United States had no such intention as far as he understood it. Is that accurate?*

A. It is quite accurate to say that the United States does not set itself up as the nation which has a right to propose or dispose with relation to other countries. Anything done with relation to Europe will only be done in accordance with the freely expressed will of the European countries concerned. We do not intend to put them in an awkward position by making proposals that involve them without their prior concurrence.

*Q. Was the proposal that we made, which you confirmed at your last press conference as an official American proposal for such a zone in Europe, including Germany, was that made without consultation with the Western European countries?*

A. I think I said that the United States did not exclude an initial zone in Europe if that was the willingness and desire of the European countries concerned. Certainly I never intended to suggest that the United States would lay down an official proposal which would involve other countries. I think we have always made it absolutely clear that we do not suggest anything affecting another country without its full cooperation. I am sure I also said that we would not want to propose anything which directly or indirectly impinged upon the reunification of Germany without the full concurrence of the Federal Republic.

*Q. Mr. Secretary, in view of your estimate of the meeting with the Russians mentioned in yesterday's communique, that it would be in the very remote future, what was the point of mentioning it at all other than helping Mr. Adenauer at home?*

A. Now don't put words in my mouth. I did not say the "very remote future." I said it was not just around the corner or a matter to be dealt with, or what I thought would come to pass, within the next few weeks or even the next few months. I do not conceive how it is possible to get even a first stage, a rather limited agreement, through in

a matter of just a few weeks or anything short of several months. I did not want the impression to get around that I am about to be packing my bags to go to a conference of foreign ministers sometime this summer. I do not figure it is going to happen at that time.

*Q. Mr. Secretary, have there been any administrative developments during the last few weeks since we talked with you about the question of admitting newsmen to Red China? (Laughter)*

A. I believe that there have been some suggestions come in from various quarters in the news world, the news community, which Mr. Berding is studying. But I have been pretty well occupied with some other matters.

*Q. There is no change in the policy? It still stands?*

A. The policy is the same.

*Q. Mr. Secretary, with regard to the Formosa thing again, you said it would not affect our policy toward Nationalist China or the Far East, but you did talk about a possible reduction of troops there. What about the investment of our foreign aid program there? Do you regard Taiwan as as good an investment as it was before? Will it continue to receive the same large share of our foreign aid expenditure as it has? Do you think it is justified in view of the demonstration that they can't even control their own mobs?*

A. Well, I have known mobs in the United States that couldn't be controlled, and we didn't stop all government expenditures on that account.

## **U.S. To Continue Total Embargo on Trade With Communist China**

Press release 328 dated May 30

The United Kingdom has decided that it can no longer agree to maintain a level of security controls over its exports to Communist China more severe than the multilateral controls applied to the U.S.S.R. and the Soviet-bloc countries in Europe.

The United States is most disappointed by this action. It means that an agreement for the continuation of a differential trade control toward Communist China has not been reached, even though many of the nations which have been en-

gaged in the recent talks on this subject expressed their support for such a program. For its part the United States contemplates no change in its policy of total embargo on trade with Communist China.

The recent discussions among the cooperating governments have revealed that there was a wish on the part of all countries to retain a unified approach on the question of trade controls on exports to Communist China. A majority of the countries, including the United States, sought a unanimous agreement on the maintenance of a differential. The United States believed that the security interests of the free world would be best promoted by the maintenance of a significant differential. After an initial difference of opinion on the precise extent of the differential, the United States agreed to a proposal developed by representatives of a number of the participating countries. This proposal obtained the support of a majority of the cooperating governments.<sup>1</sup>

The United Kingdom, however, supported by some countries, believed that there was no merit in applying a different level of controls to trade with Communist China as compared with the Soviet Union and that this differential should consequently be totally abolished. No one advocated any reduction in the existing security controls applying to exports to the Soviet-bloc countries in Europe, which controls would also continue to apply to Communist China.

The British policy announcement on China controls, while at variance with the position which the United States sought in the recent talks, makes clear the intention of the British Government to continue the application of security controls on strategic exports to Communist China on the same basis as is presently being applied to the Soviet-bloc countries of Europe.

## **Israel Supports Purpose of U.S. Middle East Policy**

### **Department Announcement**

Press release 307 dated May 21

The United States has noted the statement made by the Government of Israel on May 21, 1957, in which that Government expresses its support of

the purpose of the Middle East policy set forth by President Eisenhower and endorsed by joint resolution of the Congress of March 9, 1957.<sup>1</sup> The doctrine expressed in this resolution was discussed with the Government of Israel by Ambassador James P. Richards, Special Assistant to the President, during his recent visit to that country.<sup>2</sup> The United States shares and supports the principles and objectives outlined in Israel's statement relating to American policy under the doctrine.

### **Israel Communique<sup>3</sup>**

On May 2, 1957, Ambassador James P. Richards, special representative of the President of the United States, visited Israel to explain the principles and purposes of American policy for the Middle East as proposed by President Eisenhower and endorsed in a resolution adopted by both Houses of Congress of the United States. Owing to the shortness of the time available these discussions between the two Governments were concluded in Washington.

The Government of Israel welcomed the support of the United States for the preservation of the independence and the integrity of Middle Eastern states and for the development of economic strength dedicated to the maintenance of their independence.

In the course of these conversations the Government of Israel reaffirmed its adherence to the following principles which, it is confident, also command the sympathy and support of the United States:

1. Israel reaffirms that in the conduct of its international relations it is guided by the principles and purposes of the Charter of the United Nations to strengthen universal peace, to develop friendly relations among nations, to settle international disputes by peaceful means, and to achieve international cooperation in the economic, social and humanitarian spheres.

2. In conformity with its obligations under the Charter, it is opposed to aggression from any quarter against the territorial integrity and political independence of any country. It entertains no

<sup>1</sup> BULLETIN of Mar. 25, 1957, p. 481.

<sup>2</sup> For Ambassador Richards' radio-TV report of his mission to the Middle East, see *ibid.*, May 27, 1957, p. 841.

<sup>3</sup> Made public by the Government of Israel at Jerusalem and at Washington on May 21.

<sup>1</sup> For background, see BULLETIN of May 13, 1957, p. 772.



aggressive intent against any other people or nation anywhere, and is agreed on the importance of preserving the political independence and the territorial integrity of the countries of the Middle East.

3. It recognizes that every effort must be made to achieve lasting peace both in the Middle East and throughout the world and will cooperate with the United States and other friendly governments to this end.

4. It recognizes that for the promotion of stability, well-being and peace in the Middle East it is vital to promote economic development dedicated to the strengthening of national independence.

5. The Government of Israel expresses its appreciation of the interest shown and assistance rendered over many years in the development of the State of Israel by the Government and the people of the United States.

## The American Doctrine and the Mutual Security Program

*Statement by James P. Richards  
Special Assistant to the President*<sup>1</sup>

I am very glad to appear before you to report on my mission to the Middle East and to answer any questions you may have in mind. I returned on May 8 from a 2 months' trip as a Special Representative of the President to explain the joint resolution of the Congress on the Middle East. This journey reinforced my ever-growing conviction of the importance to the national security of the United States of both economic and military assistance extended under the mutual security program. I would like to tell you about my trip and why it has further convinced me that we can ill afford to dispense with, or even drastically curtail, the benefits that have accrued to us from these programs.

In his message to the Congress on January 5,<sup>2</sup> the President stated that he was sending a mission to the Middle East to explain the proposals he then advanced. He asked me to take on the job. While the Congress was considering the joint resolution, I briefed myself on the problems which would be encountered. Thus I was able to depart promptly after the passage on March 9 of the

resolution.<sup>3</sup> Accompanied by a small staff drawn from the Departments of State and Defense, International Cooperation Administration, and USIA, I traveled almost 30,000 miles, visiting 15 countries.

### A Fourfold Task

The President had entrusted me with a fourfold task:

1. To explain the spirit and purposes of the joint resolution of the Congress on the Middle East;
2. To determine which countries wished to participate;
3. To make commitments for programs of economic and military assistance, within the provisions of the joint resolution and within the limitation of funds appropriated by the Congress, which I deemed to be essential and urgent to accomplish the purposes of the program; and
4. To report to the President my findings and make appropriate recommendations.

Regarding task number one, I explained in detail the President's Middle East proposals, as endorsed by the joint resolution of the Congress,

<sup>1</sup> Made before the Senate Foreign Relations Committee on May 27 (press release 316). For Ambassador Richards' radio and television address made on his return from his mission, see BULLETIN of May 27, 1957, p. 841.

<sup>2</sup> *Ibid.*, Jan. 21, 1957, p. 83.

<sup>3</sup> *Ibid.*, Mar. 25, 1957, p. 480.

to the top government leaders in the 15 countries we visited—Afghanistan, Ethiopia, Greece, Iran, Iraq, Israel, Lebanon, Libya, Morocco, Pakistan, Saudi Arabia, Sudan, Tunisia, Turkey, and Yemen. I was careful to bring out the significance of this American Doctrine as symbolic of United States recognition of the need to play a more active role in the Middle East, but only at the request of area countries. I believe the enunciation, by the executive and legislative branches of the Government acting together, of a completely American policy was profoundly impressive to peoples of the area. The different heads of state invariably had many questions about the doctrine and wanted particularly reassurance that the United States was not out to impose anything or exact any political conditions derogating from national sovereignty. I believe I was able to convince my questioners that this was far from our intentions.

I did not visit three of the countries in the Middle East. In Jordan, King Hussein was proving by his actions that he understood thoroughly the meaning of international communism and was capable of moving decisively to protect his country's independence and territorial integrity. We have tried to help him by providing aid through normal channels. The second country, despite our inquiries, avoided making definite arrangements for a visit by my mission. From the third country we received a piece of paper which might have been construed as an invitation, but the attitude of the Government as shown in official statements and through the controlled press made it abundantly clear there was no desire for real discussions.

Regarding task number two, 12 of the countries I visited publicly declared their support of the purposes and objectives of the doctrine. Subsequently Israel also endorsed it.<sup>4</sup> Two countries with which we held discussions, Sudan and Yemen, thought it desirable not to take a public position at this time, but they did not reject the American concept. Naturally the degree to which different nations recognized the threat of international communism, or were willing to proclaim opposition publicly, varied. Some stood up shoulder to shoulder in open opposition to international communism. Others are doing quiet but nevertheless effective work in the same cause. One thing did not vary. That is the determina-

tion to maintain independence and to achieve economic and social progress. To this end United States help was welcomed.

Regarding task number three, in 9 countries I determined that it was essential and urgent to extend United States economic or military assistance in accord with the doctrine. Conditions were such that immediate action would clearly further the purposes of the joint resolution either by building up strength to assist in countering possible overt armed attack or by increasing economic strength and internal security against subversion. I authorized in principle approximately \$120 million in aid, always calling attention to the provisions of the joint resolution, including the requirement that appropriate congressional committees should be informed 15 days before the money was used. Slightly more than half of the money went for economic assistance. Most of this aid was in the form of grants, although I insisted on loans whenever feasible. The military aid granted was always in furtherance of established military plans. It consisted, for example, of additional hardware, expendable items such as ammunition or military construction. In the economic field our aid was directed at, for example, communications, transportation, education, and water development. I sought opportunities to encourage regional cooperation. To the Baghdad Pact I made available \$12,570,000 toward projects approved by its Economic Committee for improvement of the regional communications system, railroad connections, and a highway project. This aid is intended both for surveys and actual construction.

With respect to task number four—to report to the President—I met with him immediately after my return. Although my mission was not charged with seeking solutions to intra-area problems, I found that the various countries visited held strong views on these matters. In accordance with requests from different governments, I have conveyed their views to the President. The importance of this American Doctrine with respect to intra-area problems is that, by turning back international communism, the Communists' continuing efforts to inflame these quarrels will be frustrated and thus their solution facilitated. I can assure you that our Government is not neglecting intra-area problems. Most of the countries visited are involved in such difficulties, many

<sup>4</sup> See p. 968.



of them most complex and of the utmost importance to the people concerned. They are working to find solutions, and the United States, quietly and through normal channels including the United Nations, is doing what it can to help.

## **Impressions**

On a trip like the one I have just completed, one comes back with a mass of impressions. I would like to call your attention to six that stand out most clearly:

1. *The intensity of the aspirations of the peoples of the Middle East for economic and social progress.* They are determined to improve their lot. They recognize the limitations of their own resources. They are therefore determined to get outside help. The Communists are blandly offering aid on deceptively generous terms. We know from experience the trap behind such offers, but it is not so evident to people in the area desperate for help. Entirely apart from any humanitarian motivations, a hard-boiled desire for self-preservation demands that we not leave these nations with no choice but to become ensnared with the Communists. We should not be deluded by distance into thinking the fate of each country of the Middle East does not concern us. Once ensconced, communism spreads like the plague. The effects of the closure of the Suez Canal is a recent reminder of the area's importance to our welfare.

2. *The value attached to old or newly won independence.* To the peoples of the Middle East their independence is either a sacred tradition or a new precious right they are just learning to exercise. In either case they are determined to preserve it from infringement by any source. Sensitivity on this score is an overriding obsession. Their receptivity to this American Doctrine rests upon our success in convincing them that the United States will act only at their request and then only to help them help themselves. The return to the United States from the aid extended under the doctrine, or otherwise, flows from what it enables the recipient countries to do for themselves. Constructive results would be negligible were political conditions attached. Fortunately the mutuality of interests between ourselves and area countries and the clear evidence of the value to each of cooperation lead us naturally along the same path.

3. *Attitude toward international communism.* Communism is anathema in the Middle East from the point of view of religion and traditional social values. None of the countries wish to see that atheistic creed established on their soil. But some nations have a tendency to think they can flirt with international communism, using it for their own purposes while keeping free of its tentacles. Their willingness to take risks in this regard increases in proportion to their inability to find a helping hand elsewhere and also, in certain cases, to see the possibility of what they consider just solutions to intra-area problems.

4. *Attitude toward the United States.* I had not realized what a reservoir of good will we have in the Middle East. Government leaders do not hesitate to blame us for certain policies. Nevertheless, they have faith in our good intentions, respect for our motives, and are eager to test the two-way value of cooperation. We have a unique opportunity and a responsibility which we can neglect only at our own peril.

5. *Recent improvements in area conditions.* I believe the last months have seen significant improvement in the area situation. Perhaps it is best described as the opening of possibilities to press forward for permanent gains toward peace and stability. With like-minded people we have made a beginning. But there are no grounds for complacency lest we quickly slip back behind the starting line. The Middle East is not an area of political equilibrium, if it is possible to find such a situation anywhere in our present world. It is a case of either going up or down hill. We want to keep on climbing.

6. *The importance and complexities of our aid programs.* These aid activities of ours are often large-scale operations. In the Middle East they are carried on under the most difficult conditions by relatively small numbers of people who undoubtedly make mistakes but whose efforts in their entirety are a credit and a value to our country. But there is always room for improvement. It is the duty, indeed the obligation, of all concerned constantly to search for means of increasing their effectiveness. One lesson experience has taught is that economic aid is not something one can package neatly into 1-year bundles. There is need for continuity in drawing up and carrying out these programs and for flexibility. The changes proposed by the President, I believe, are an important improvement.

## Two Features of Doctrine

To sum up, there are two main features of this American Doctrine. The first is the deterrent effect provided by the declared determination of the United States to use at the discretion of the President its armed forces to provide assistance if requested against armed attack by a state controlled by international communism. We have made this intent abundantly clear to the U.S.S.R. and the states of the area. I am convinced the U.S.S.R. will not risk overt attack as long as we keep up our global defenses. This assurance has brought vast relief to countries of the area, especially to those on the borders of the Soviet bloc and especially to the responsible military men. This aspect of the American Doctrine has already achieved a notable success. The second is the extension of economic and military aid to build up strength to resist subversion and to help repel any attack by international communism. This cannot be a one-shot operation. The flexibility in extension of aid provided by the joint resolution has made an important contribution. However, the Communists are constantly boring away, searching for weak spots. We need to have available, on a continuing basis, the authority to act quickly. The doctrine as a whole can be judged a success only if we make good in all particulars. It will profit little the American people and the people of the Middle East if we make effective provision against overt attack but neglect to provide protection against subversion.

## Proposed Amendments to Mutual Security Act

In conclusion, may I make a few observations regarding the proposed basic amendments to the Mutual Security Act. You may recall that last fall I was directed by the Foreign Affairs Committee as its chairman to conduct a study of our foreign aid programs and to recommend to the Congress by January 1, 1957, ways and means for improvement. If you will consult the record, you will find that my report included recommendations for basic changes very much in line with

those now proposed by the President. My views on the subject have been confirmed by my recent studies in the Middle East. It is my judgment that:

1. The mutual security programs, including provision of both economic and military aid, are essential to the security of the United States.

2. Flexibility and the ability to act quickly are of primary importance. The special fund requested by the President, which in the Middle East will permit him in part to carry on the work started by the joint resolution, is indispensable to getting maximum results from the program as a whole.

3. Besides providing for special and emergency situations, we need to help meet the demand for a non-Communist way toward sound development. The development loan fund and the closely related technical cooperation program will permit us to do this most effectively.

4. We would be unwise indeed, in my opinion, to forgo the immediate and direct strengthening of our own defenses to be derived from the defense assistance program. In order that the American people can clearly understand that the defense assistance program is an essential part of our own worldwide national defense program, it should be included in the Defense Department budget along with our other national defense programs.

5. These programs should not be one-shot annual affairs. Authority to spend funds over more than 1 year is needed and will result in better utilization of available moneys.

I am convinced that, by carrying forward these mutual security programs in the manner recommended by the President in his message of May 21,<sup>5</sup> the American people will help themselves by helping others make their own full contribution to the common defense and economic advancement of the free nations.

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<sup>5</sup> *Ibid.*, June 10, 1957, p. 920.



# The Middle East—Fundamentals of American Policy

by William M. Rountree

*Assistant Secretary for Near Eastern, South Asian and African Affairs*<sup>1</sup>

I should like to introduce the fundamentals of our policy in the Middle East by posing a series of questions. In these questions lie the keys to the background of the area, its problems, and our objectives and achievements. I am certain you, too, have asked:

Why is the Middle East important to us?

What problems do we face in this vital area?

What do we as Americans want in the Middle East?

How do we achieve what we want?

## The Importance of the Middle East

Let us turn to the first question—why is the Middle East important to us? Why should a distinguished group of citizens such as that here tonight be spending the better part of 3 days to study in detail the problems of an area 8,000 miles away?

The Middle East is a striking and significant area. If there is any corner of the world that can most accurately be called the crossroads of culture, of peoples, and of political trends, as well as from the geographical viewpoint, it is the Middle East. In this area are four of the world's greatest river systems with a wide variety in lands and climates. There are rich agricultural areas, and deserts which defy development, and two of the world's most important waterways—the Suez Canal and the Dardanelles. This area has 70 percent of the world's oil, and exploration each year adds to the inventory of

its minerals. It is the cradle of culture, sacred and secular, which forms part of the heritage of every one of us.

The term "the Middle East" embraces a large segment of the eastern Mediterranean area and of the western portions of Asia. I am not attempting to define this with precision tonight. Some of my comments may not relate primarily to the precise area being discussed at this meeting. In general, however, the policies and problems to which I refer will be concentrated in that portion of the area we have traditionally called the Near East.

In an era of interdependence, what happens in the Middle East is of special significance because nowhere today are interests more important to us and more vital to our friends and allies. Take as a single example the worldwide effects of the closing of the Suez Canal. In Europe industries and economies were threatened. In the Western Hemisphere oil shipments were dislocated. In the Far East people traditionally dependent upon the Middle East turned to other sources of supply. The economies of many Asian and African countries sustained severe strain. Throughout the world there was a serious search for alternatives.

We cannot speak of interdependence without mentioning the importance of independence. It is only the truly free and sovereign nation which can cooperate on a basis of mutual interest with other nations. The Middle East over the past 4 decades has seen the emergence out of isolation and turmoil of many new independent nations. We regard the minds and hearts of the peoples of these new nations as of great importance to us. Without their understanding and support the area would be lost to the free world, with

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<sup>1</sup> Address made before the National Conference on the Middle East cosponsored by the Dallas World Affairs Council and *Newsweek* magazine at Dallas, Tex., on May 16 (press release 292).

political, economic, and strategic consequences of the greatest import.

It is, I think, significant that in many of the great cities of the Middle East today the city walls existed well into the 20th century. Only recently have these come down and the narrow, twisted alleys have been bisected by modern streets. Similarly, the outlook of the people has broadened; there has been contact with new ideas and new horizons. There has been a tendency to reject the past and those associated with the past. There has been a suspicion of what outsiders said about other outsiders. The people have wanted to test their new relationships on their own terms.

### **The Problems We Face**

This area—impatient, emotional, sensitive—has, not unnaturally, problems arising from its present ferment. These problems are of concern to us because they affect seriously the stability of the area and our relationship with it. The fundamentals of our policy must be adequate to meet these problems.

What are the problems we face?

There is one general problem. The new nations of the area are imbued with a strong sense of their nationhood. This pride, this patriotism, goes correctly by the name “nationalism”—true nationalism, constructive nationalism. But in some cases extremist leaders have arisen who seek to exploit for their own ends this national feeling. Theirs is a negative nationalism, aimed solely at tearing down the past. Because the Western nations have been for so long present and influential in the area, this extreme nationalism often takes an anti-Western form. With a naive belief that nothing could be worse than the past, they turn to new relationships, sometimes with the Soviet East.

There are numerous specific problems. Many collateral problems and the widespread sense of insecurity arise from the frustration of serious, bitter disputes, often long unsolved. Today within the area of my primary interest there are seven major disputes between our friends. These give rise to a multitude of secondary problems. France seeks a solution to the Algerian question. The dispute over Cyprus involves Britain, Greece, and Turkey. The Suez Canal status is vital to many nations. The Arab-Israel tension clouds almost every issue in the Near East and gives rise to great bitterness. Britain's disputes with Saudi

Arabia over the Buraimi Oasis and with Yemen over the frontier present difficulties. The Kashmir dispute seriously hampers close relations between the great nations of India and Pakistan, which emerged from British India.

These problems—the negative nationalism, the disputes, and the attitudes of mind—would be serious handicaps to progress in any event. Today, however, they take on a more serious aspect because they become the raw material for Soviet exploitation.

The problems themselves give rise to chronic dissatisfaction and frustration, sometimes leading people to seek extremes. The resulting turmoil provides opportunity for the Communists to use people in a country for their own ends. Time and time again we have seen the familiar pattern. Greece was torn by a bloody civil war; Communist partisans were openly supplied by satellite countries to the north. The Communist Tudeh party in Iran infiltrated every branch of the Government and threatened the Government itself until the Shah took strong measures in defense of Iran's independence.

The Soviet Union has now entered the picture with arms aid and economic aid designed to increase the influence of international communism in other areas of the Middle East. The results have been particularly noticeable in Egypt and Syria. Local Communist parties have benefited from these Soviet moves, the motivation of which is clear.

We have no quick or easy solutions to these problems. The answers, in the last analysis, must come from the area itself. I cite some of them to demonstrate the situations we face in the pursuit of our own national interest. This interest—enlightened self-interest—must, of course, be at the base of any policy.

### **Four Fundamental Objectives**

What do we as Americans want in the Middle East?

In answer, we can list four fundamental objectives.

First, we believe in and hope for the creation of strong and independent nations which are able to resist the efforts of international communism to subvert the area.

Secondly, we believe in contributing, if requested by the nations of the area, to their secu-



city. In a broad sense, their security is our security.

Thirdly, we wish to assist the countries of the area in resolving their disputes in accordance with the principles of the charter of the United Nations.

Fourthly, we wish to contribute to the progress and development of the nations of the Middle East.

We firmly believe that the fulfillment of the national interests of the United States will flow naturally from the pursuit and achievement of these objectives. There will be a developing relationship with the area and its peoples on a basis of understanding and mutual interest. Resources of the area will be available to the free world on conditions advantageous to both the producing and consuming countries. Transportation and communications facilities in this vital crossroads of the world will be available to us when these nations are secure in their relationships. Doors will be open to cultural exchange, to commercial intercourse, and to increased diplomatic cooperation.

In the achievement of these objectives, and in our relations with the nations of the Middle East, we attach the greatest importance to adherence to the principles of justice and impartiality. In the events of last October we demonstrated by the stand we took our firm intention in this regard. Two of our greatest allies were involved. We recognized that there were provocations, yet the President made it clear that he did not believe that a resort to force was the remedy for these wrongs. As he stated in a nationwide television address on October 31:<sup>2</sup>

There can be no peace without law. And there can be no law if we were to invoke one code of international conduct for those who oppose us and another for our friends.

The society of nations has been slow in developing means to apply this truth. But the passionate longing for peace on the part of all peoples of the earth compels us to speed our search for new and more effective instruments of justice. The peace we seek and need means much more than mere absence of war. It means the acceptance of law, and the fostering of justice, in all the world. To our principles guiding us in this quest we must stand fast. In so doing we can honor the hopes of all men for a world in which peace will truly and justly reign.

In the disputes that divide our friends in this

area, we can continue to command respect only by demonstrating our sincere interest in fair and just solutions for all parties involved—by acting according to principle. There are few black and white issues. In the resolution of the difficult problems we face, adherence to our stated principles, respect for sovereignty and international law, and impartiality must be fundamental to our approach.

### **Tools of U.S. Policy**

Now for the question: How do we achieve what we want in the Middle East? We have listed our objectives. What are the means by which we reach them?

There are several fundamental tools of our policy: diplomacy, military assistance, economic and technical aid, information and cultural activities, and the efforts of our private citizens.

Diplomacy embraces the patient, everyday pursuit of our objectives through our embassies abroad and through the numerous international organizations and conferences in which we participate. It is through diplomacy that we present our views, attempt to correct misunderstandings, and negotiate the agreements and treaties which are the milestones of our foreign affairs. NATO and SEATO, for example, each with a member in the Middle East, stand out as results of the patient efforts of diplomacy. The peace treaties such as that with Japan which concluded the war have helped restore those conditions under which progress could continue.

The United States military today occupies a vital role in our Middle East policy. The military aid programs, for example, help to provide the kind of basic strength to the free nations of the Middle East which will contribute to their security. We have extended important assistance to the Northern Tier countries and to other friends in the area.

Our economic aid is another indispensable instrument in our policy. A nation must have internal strength to resist subversion. In Lebanon the United States has provided valuable assistance both to meet emergencies and to build for the future. In Turkey our economic aid has gone hand in hand with other efforts to bolster this important country. Our economic programs in India provide a firm basis for cooperation with this vital democracy and assist India to maintain

<sup>2</sup> BULLETIN of Nov. 12, 1956, p. 743.

its own internal strength. These are but a few examples of our economic cooperation with the nations of the area.

An important part of our aid in the Middle East today is in technical assistance. Americans, many of them from Texas, have carried to other lands with great success the skills and techniques which have contributed to our economy. In some countries which have the money and resources for their own development only the skills are lacking. The technical assistance program provides them and provides a clear indication of American interest in development at the same time.

The undeveloped nature of many of the economies and resources of these nations has made it necessary for us to use governmental grant aid in many instances. As the economies develop, however, it is our intention to make greater use of loans as a form of economic assistance. Grant aid will continue to be needed in many areas, but the general proportion of loan to grant will rise.

To be fully successful, our programs must be understood. We can create this understanding in part through diplomacy. The peoples of the area today, however, are increasingly important in the making of policy and in the pressures which determine the direction of the country. We must reach them. In this the United States informational activities play a significant role. We face throughout the area active Communist efforts to distort and misrepresent what we say. Often news of speeches and statements by American officials reaches the area in brief form. If we can provide to the overseas United States Information Service texts of these statements, at the time of delivery or in advance, our information officers can take them to editors, explain their significance, and give our point of view. Our output must be regular and authoritative, using all forms of media.

Another important element in our foreign policy is the private American. It was really he who in many ways first carried American influence to the Middle East. Today the tremendously important contributions of our missionary and philanthropic movements are reflected on every hand in the area. Hospitals, schools, and universities stand as monuments of the contribution which has been made and is still being made by these institutions. I can cite particularly the American University of Beirut, where today the American

foundations and the peoples of the area cooperate in the perpetuation of a great center of American influence.

Our private interests have, in my estimation, two unique contributions to make in the area, apart from the provision of capital. They have the spirit of venture, and they have the skills required both for production and for the marketing of the resulting products. The world would be a much poorer place today without the results of the risks, the hardships, and the talents that went into the early oil exploration in the Middle East. These same opportunities exist today in the area. I hope that increasingly a climate will be created so that American industry and commerce can join the peoples of the Middle East to a progressively greater extent in developing that region for their benefit and for ours.

We cannot achieve our objectives in the Middle East alone. We have longstanding and close friends, particularly in Western Europe, who have important interests in this same area. We have, at times, differed with them but understand the reasons for the difference and have tried to move forward.

The United Nations represents another important and fundamental element in our policy in the Middle East. For 10 years the machinery created within the United Nations has watched over and mitigated friction between Israel and the Arab States. For 8 years, United Nations observers have tended the truce line in Kashmir. The United Nations provided the international forum through which the difficult issues of the Suez Canal problem were discussed. This world organization has a vital role, and we must support it and work with it.

These are the fundamentals of our policy in the area: our desire for strong and independent nations, for a peaceful resolution of disputes in accordance with justice and international law, for security, for progress and development, and for a developing relationship with the area and its peoples. We work for these objectives through our own efforts, through cooperation with our allies, and through the United Nations.

#### **Meeting Changing Situations**

To implement these fundamentals we, from time to time, enunciate certain specific policies to meet specific situations. No one of these repre-



sents the totality of our policy, but each contributes to the achievement of our broad objectives. Within the framework of our fundamental policies we must be prepared to meet new and changing situations.

In 1950 we joined with Britain and France in the Tripartite Declaration.<sup>3</sup> While recognizing the need of the Arab States and Israel to maintain a certain level of armed forces for the purposes of assuring their internal security and legitimate self-defense, it opposed an arms race. It declared the deep interest of the three governments in the establishment and maintenance of peace and stability and indicated that these governments would, consistent with their obligations as members of the United Nations, take action to maintain the frontiers and armistice lines of the area. It was pursuant to this policy and our obligations under the United Nations Charter that we acted as we did in the recent Egyptian crisis.

The United States has supported the Baghdad Pact from its inception. In November 1956 our support for collective security in the area was reiterated.<sup>4</sup> We said,

A threat to the territorial integrity or political independence of the members (of the Baghdad Pact) would be viewed by the United States with the utmost gravity.

During the past 6 months, the American Doctrine has become another significant element of our foreign policy. President Eisenhower's message to Congress on January 5<sup>5</sup> declared that the peace of the world and the security of the United States were endangered by the threat of international communism against the freedom and independence of the peoples in the general area of the Middle East. The doctrine was endorsed by a joint resolution of Congress which stated that the United States was prepared to use its armed forces at the discretion of the President to assist any nation or group of nations requesting assistance against armed aggression from any country controlled by international communism. The doctrine further provides for military and economic assistance to nations of the area seeking such assistance in order to preserve their independence and territorial integrity.<sup>6</sup>

<sup>3</sup> For text, see *ibid.*, June 15, 1953, p. 834, footnote 2.

<sup>4</sup> *Ibid.*, Dec. 10, 1956, p. 918.

<sup>5</sup> *Ibid.*, Jan. 21, 1957, p. 83.

<sup>6</sup> *Ibid.*, Mar. 25, 1957, p. 481.

You may now ask, "Are our policies achieving the objectives?"

I believe we can answer definitely in the affirmative. In doing so, we recognize fully that many problems remain—difficult problems which may take years to solve. The position of the United States and the West and the continued independence of the nations of the area continue to be seriously threatened by the Soviet Union and international communism. Despite the strenuous efforts of these forces, however, our standing and influence remain. There is, moreover, a growing understanding on the part of the peoples and governments of the area of the real dangers to their peace, security, and progress.

Our assistance programs have gained the respect and cooperation of the greater part of the nations of the area. I believe it is no exaggeration to state that we are contributing substantially to the economic awakening in the area, just as ideas from the United States have contributed to a political awakening. New ambitions and new hopes are being created. People once resigned themselves to their conditions, their fate. But now, in India, in Pakistan, in Iran, Iraq, Lebanon, Turkey—to name but a few—there are impressive development programs which the United States contribution has, in varying degrees, helped to make successful. We can, of course, only help; for the most part it must be, and should be, up to the governments and peoples.

Ambassador James Richards has just returned from his trip through the Middle East to explain the American Doctrine.<sup>7</sup> In his journey of over 30,000 miles, Ambassador Richards visited 15 nations. Twelve of these publicly endorsed the principles or purposes of the doctrine. In those nations where there was no public endorsement the door remains open. Ambassador Richards found a growing awareness of the menace of international communism, a fierce determination on the part of these nations to protect their independence, and a deep reservoir of good will toward the United States.

You have followed, I am sure, the recent events in Jordan. We have stated our keen interest in the preservation of the independence and territorial integrity of Jordan, as we would for any nation so threatened. We have demonstrated

<sup>7</sup> *Ibid.*, May 6, 1957, p. 724; May 13, 1957, p. 763; and May 27, 1957, p. 841.

that this is no idle gesture. We have responded to Jordan's request for aid.

I would not, however, wish to give an impression that I was overly optimistic. We cannot afford to be too sanguine. We continue to face extremely difficult problems which pose a great challenge to our policy. But we believe that our fundamentals are sound and our objectives are attainable. With continuing perseverance on our

part and with the support and interest of our people we can look forward with some hope to a time when the problems of this area are reduced and our relations with all of the countries are on a sound footing. We believe there is an identity of interest with the countries of the Middle East and that by working together we can each benefit and move toward a more peaceful and stable world.

## Berlin and Soviet Methods in Germany

*by Eleanor Lansing Dulles*

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In a period when the fate of the Nation depends on an understanding of Soviet intentions and capabilities it is important to study evidence of the nature of their policies and plans wherever such evidence is to be found. Many interesting signs of uncertainty of direction and fluctuating tactics are recorded in the history of their behavior in the last 10 years of their military occupation of East Germany and East Berlin.

Three things become clear in the course of such a review focused on Berlin and Germany. One is that the basic Soviet aim has been, and is, to force submission to Communist rule at almost any cost. The second is that the choice of Soviet methods changes as they blow hot and cold in their dealings in Europe. The third is that any evidence which might be interpreted to mean that the Western Allies, including the German Federal Republic, might weaken with regard to Berlin leads to prompt attempts to encroach on areas which have been held by the West at considerable cost. In contrast to this, the frequent demonstrations that the free world stands firm with West

Berlin and that the will to resist of the Berlin population cannot be broken have almost always led to a softer policy and reduction of threats and pressures.

While the German situation differs markedly from those where the Soviets exert pressure in the Near and Far East, it is significant for any study of Soviet intentions. In Berlin Soviet aggressive gestures and harassment of its people are worthy of consideration and indicate a basic insecurity with respect to their position in Europe and the future of Germany. This insecurity, in turn, results in no small measure from Russian realization of the German rejection of their dictatorship, their police system, and the determination of those both in East and West Germany to withstand alien pressures.

No one questions the importance the Soviets attach to their policy in Germany nor the fact that their attitude toward the city of Berlin is a key element in this policy. Thus, the Berlin story merits careful study and can throw light upon their actions elsewhere in Europe. In fact, the past and future events in this central point in Europe may well indicate the issues in negotiations which will demand the attention of leaders elsewhere in the free world.

<sup>1</sup> Address made before the Women's National Republican Club at New York, N.Y., on May 22 (press release 311).



## Early Expectations and Plans

In November 1944, some months before the war was over, in three-power consultation agreements were reached by the United States, the United Kingdom, and Soviet Russia in regard to the administration and status of Berlin. Provision was made for a governing authority, the Kommandatura, on which the Soviets as well as the Western occupying powers would sit. These agreements were linked with the zonal divisions of Germany, which included France from 1945 on. They were based on the assumption that a way must be found to work in a constructive manner with the Soviets.

Only after the Communists took over Czechoslovakia in 1948 and after the indication of Soviet aggression westward were the full difficulties of the situation realized. At this time, encouraged by their success in Prague, the Soviets endeavored to force the Allies from the city of Berlin by their attempt to cut it off from Western Europe. It is clear that the early plans, while recognizing the extent of postwar devastation which the city would face, did not contemplate adding to the immense task of reconstruction the additional problems of limited access and continuing harassment. These material and psychological problems were compounded by the distance of the city from the area governed by the Federal Republic.

Since, in the period from 1945 to 1948, prior to the blockade by the Soviets, it was still possible to hope for a free economic interchange between Berlin and its normal hinterland and even between the East and West Zones of Germany, the questions of economic and political reconstruction loomed large. There was relatively little anxiety over the long-range attitude and aims of the Soviets since it was assumed that the passions aroused by the German invasion of Russia would die down and reasonable adjustments to the postwar requirements of Europe could be achieved.

It was in this atmosphere of war and early postwar occupation that the corridors of access—road, rail, water, and air—were agreed in a manner which seemed at first to be adequate. Thought was given to supplying the needs of the city and to assuring logistic support of the occupation forces of the three Western powers, whose headquarters were not, as in the case of the Soviets, in contiguous territory. It is noteworthy that

similar arrangements for Vienna proved satisfactory. Only with the Soviet blockade of Berlin in the spring of 1948 were the future difficulties brought into the foreground and faced by Berliners and the rest of the non-Communist world.

The brutal revelation of Soviet strategy in 1948 came as a shock to the whole civilized world. The death of Masaryk in Czechoslovakia became a symbol. The Berlin blockade brought a moment of fateful decision. The Soviet demands on the Germans and the forcible stoppage of surface travel and traffic to Berlin at this time constituted a major turning point in the relation of the entire Western World to the Soviet bloc. Moreover, the decision had to be made not only by the Western Allies but also by the Berliners and the free world concerned with the problem. The choice made by the Berlin authorities to resist the enticements of the Communists, particularly the offer of ample food and fuel, and the willingness of the people to assume voluntarily the risks of associating themselves with the three Western Allies were crucial to developing the strength of the German Federal Republic and the outlook for future Germany, its democratic orientation and its hope for unification of East and West.

The early years of the occupation of Berlin were thus compounded of surprise and disappointment, with a growing awareness of the serious dangers involved for the Western World in the Berlin position. Clearly, the Allied commitments made there could not be abandoned. The significance of our maintaining our position in Berlin for the entire satellite world and for the people in bondage behind the Iron Curtain was recognized when the three Western Allies issued the tripartite declaration of May 27, 1952,<sup>2</sup> with regard to the security and welfare of Berlin. In this declaration, repeated on several occasions, it was stated that an attack on Berlin from any quarter, or on the allied forces there, would be equivalent to an attack upon the three occupying Western powers. From this declaration there could be no retreat.

## General Soviet Attitude After the Blockade

From the end of the blockade in 1949 and the world-recognized success of the airlift, the fluctuating nature of Soviet behavior became the more

<sup>2</sup> For text, see BULLETIN of June 9, 1952, p. 897.

enigmatic. For a period of close to a decade the Soviets have maintained their separate position in the city. They have remained outside the allied Kommandatura which, although its practical importance is reduced for a reconstructed West Berlin, continues to meet now, as in 1946, to consider Berlin problems.

The Soviets, unable to win acceptance, have surrounded the city with large military formations and with continuing show of force. Their armed divisions maneuver, often in and near the city, in a threatening manner. They have developed a paper structure to support their political puppets in an artificial prominence which has become less than convincing in the face of the widespread German repugnance for their spurious authority. They have pursued a changing and unpredictable policy of harassment to individuals. They have subjected the city to various types of annoyances. These are often of tragic consequences to individuals but have had only a transitory and relatively ineffective influence on the political and economic recovery of the city as a whole.

None of these measures has been able to prevent the impressive growth of industry, nourished by American aid and by subsidies from the Federal Republic in Bonn. No Communist action has been able to dampen the spirits of the people, who, once they made the vital decision in 1948, have not wavered in their Western allegiance. The Soviets are constantly probing for opportunities to move westward, but they have found no faltering of the Allied support of the city and the political backing which has been afforded by NATO countries and by the free world generally.

The Soviet treatment of the city since 1949 has three main forms. There has been an attempt to intimidate by means of repeated threats, some explicit and some indirect. There have also been efforts to prevent recovery and disturb equanimity through various types of restrictions and interferences with travel and transport, and further there have been acts of terror and repressive measures against individuals which have kept blood pressures high but which have not basically altered the policy or the programs which either the city government or the Federal Republic has given to Berlin. These tactics have tended, to the extent that they have been influential, to intensify the support from the West. Efforts have

been made to detach Berlin from the West by fright and weariness, on the one hand, and to persuade the United States and Europe that the cost of holding Berlin was unduly high. Neither attempt has been fruitful, nor will either be in the future.

All of these Soviet tactics have varied from time to time. Pressure has increased at times of major Allied decisions. The main conclusion, resulting from an examination of these events, is that the Russians neither have been able to wear down the Berliners nor divide the Allies on the German question. They have rather revealed their own inability to advance world communism in this area and the near bankruptcy of their policy over the decade.

### **Police Methods and Terrorism**

The terrorist phase of Soviet behavior can perhaps be recalled with a brief reference to their frequent extreme tactics and the irregular and usually unexpected actions of their soldiers and of the People's Police under their control. A typical but particularly spectacular and tragic case is that of the kidnaping of Dr. Linse, which occurred in 1952.

Dr. Linse, a lawyer who was well known for his fight for human rights, was seized from the street in front of his house in broad daylight in the U.S. sector of Berlin. A group of 4 gangsters aided by 13 others in a carefully prepared plan supported by the Communist authorities executed the kidnaping. They seized a taxi, surrounded Dr. Linse, and forced him into it. They drove with their victim at high speed to the zonal border, where the official Communist guard, who had been told of the plot, raised the barrier so they did not have to slow down as they passed through. Before they crossed into the Soviet Zone, a shoe dropped from Linse's foot, still protruding from the half-closed door.

Numerous witnesses watched, powerless to prevent the abduction. Shots were fired by the gangsters, but the bystanders and West Berlin police were unarmed and could not resist. As the painstaking investigation progressed, some of the persons connected with the plot confessed and knowledge of this official effort to intimidate those working for human rights in the East Soviet-occupied areas became a symbol of the efforts of a free people to defy a police state.



Dr. Linse may still be living. In any case, his name will never be forgotten. He represents thousands, many of whom may be less well known, languishing in prisons or executed for alleged acts of resistance to the Communist regime.

During one of the periods of most brutal repression at the time of the June 17th revolt an incident took place which will always be remembered. Without any evidence of complicity on his part, the Communists summarily executed a Berlin worker, Willi Goetling.

The latest case is that of Professor Harich, condemned to 10 years' imprisonment for diversionism even though a Communist. Professor Harich was a talented sociologist teaching at the University of East Berlin. At the time of the Hungarian revolt some of the students at this university expressed sympathy for students in various countries subject to oppression. Harich was alleged to have incited disloyalty to the Communist regime and to have endeavored to "reform" the party. His punishment was prompt and merciless. It was intended to deter those who ventured to question policy as those more seriously tending to revolt.

There have been other cases in such numbers as to bring terror to all those who played an outstanding role either in attempting to defend their fellows in Communist prisons or to help those who have been attacked by the Communist leaders as "Western tools" or "warmongers," or otherwise subject to threats of personal violence and death.

These episodes cannot be represented statistically, but in general it can be said that in recent times they have been less frequent. The continuing possibility of being kidnaped in this city, which is divided in theory but where barriers do not prevent easy access from one sector to another, has undoubtedly affected the personal behavior of many Berliners, making them more watchful in their movements, but has not altered either their political views or their performance of their daily tasks as politicians, as businessmen, or as teachers, ministers, or public officials.

From the fact that the Communists have not increased their activities along these lines and that there have been relatively few instances recently one is forced to conclude that they may themselves have come to doubt the effectiveness of such methods. While it is highly probable that they have given instructions to those in command of

the People's Police (Voros) and their military establishments to be tough and to create an atmosphere of alarm, it is unlikely that they have given specific orders to carry out any considerable number of kidnappings. Even the present line of policy, however, is sufficient to keep alive the bitterness of the West Germans and the Berliners toward the occupying forces from the East.

In their terrorist actions one sees another of those evidences of Russian insecurity and lack of constructive planning in their relation to the city and in their program with regard to the Federal Republic or even to the satellites in general. While there is a discernible effort to restrain resistance and silence objections behind the seizure of a few leading individuals who have been outstanding in the fight for freedom, recent cases of trouble have not taken this form but have been rather isolated acts of terror which would imply a degree of uncertainty in the high-level policy of the Communists with respect to Berlin.

### Threats of Retaliation

A series of threats has been issued with respect to the city in particular, and German policy in general, on various occasions. Most of these have been directed in the first instance at the German people, trying to prevent their turning for support to the West—and only indirectly at Berlin. Some, however, have had more specific reference to the city. The general intent of this series of threats has been an endeavor to persuade Western Germany that its alliance with the Western free world would eliminate the possibility of reunification of Germany and the ultimate freedom of Berlin from its ring of oppression.

These threats have not been paralleled by promises of reunification on a basis of free elections. They have thus failed to intimidate and failed to persuade. It is not possible to make a clear link between these warnings from the Soviets and their occasional proposals on reunification.

In 1948 the development of Bizonia and Trizonia as phases of the Western efforts to move toward a free and sovereign Germany were both occasions of strong statements from Moscow. The setting up of the Federal Republic in 1949, the granting of sovereignty, and the linking of West Germany with NATO were similarly the occasions of strong statements calculated to force the Germans to turn from the West to the East.

One of the latest of these threats has been associated with the decision for the military buildup in West Germany. Once the decision was clear that Germany would be an important element in NATO and once there was practical clarification of the military program, there came simultaneously a surprisingly friendly tone into the letters of Bulganin to the Chancellor [Konrad Adenauer]. Meanwhile no restrictions of any broad consequence have affected the status of the city. In fact, production and trade from the city to the outside has increased 20 percent in the past year and has more than tripled within the last 4 years.

The Russians, in all probability, consider that their policy with respect to Berlin has been of little gain for them. They hold their line, it would appear, in the hope that at some future point they can challenge the Allies' position and use it if there was a weakening of support. As they see the Western sectors of the city in a stage of balanced and extremely vigorous expansion, and as they watch the cultural manifestations which come with a sound vitality, they must wonder both at the strength of this island in their Communist empire and at the inefficacy of the measures which they have used.

#### **Incidents of Harassment of the City**

It is interesting to note some of the past attempts by the Soviets to thwart Berlin's recovery. Many times pressure has been exerted and then relaxed because of the fundamental dilemma facing those who wished to persuade or compel but cannot risk a desperate uprising in the zone where they were entrenched. The necessity of making a choice between persuasion and terrorism in an attempt to compel people to do what they do not want to do, seen elsewhere as well, explains the fluctuating nature of the Soviet behavior in respect to the city. As long as its citizens have turned westward, Soviet policy has been designed to prevent restoration of normal conditions and to increase difficulties. I shall mention several illustrations of types of harassment which have been initiated and which have then been terminated or softened. The dates of change indicate the fitful nature of Soviet policy.

One type of harassment which caused serious concern in 1952 and 1953 was the trouble over the stamping of the permits required by the Com-

munist authorities for the shipment of goods out of Berlin. Our economic experts thought that interference with these exports of manufactured goods was an attempt to strangle the reviving economic life of the city. There has been no significant trouble of this kind since 1953, when the permits were taken care of promptly.

A few months later, in 1953, bumps to slow up traffic were placed in the roads in the East at border crossing points. At the same time the barriers at the zonal sector borders were increased in number and strength. At that time when these unusual steps were taken, the High Commissioner's office interpreted these annoyances as foreshadowing a probable split in the city. Events showed that this policy was not adopted, and in the last 2 years the bumps have been removed by the Communists.

In 1953-54, on the pretense of preparing the Rothensee shiplift, for a period of months one of the main barge canals was closed. Again the question was raised as to whether a "creeping blockade" was under way. This form of harassment did not continue into 1955, nor was it repeated. Only a reasonable period of closure, mainly because of weather, has taken place.

Another disturbing restriction to traffic occurred in 1955. At that time more than 100 barge permits expired. For a time the captains of the barges did not dare send their boats to Berlin for fear they would be seized or incur expensive delays. Various requests were made to prolong the permits or to allow the use of old permits. For a time the passage of barges ceased. The requests were renewed from time to time and suddenly, in December 1956, the whole package of 100 or more permits were validated for future transit in and out of Berlin. There has been no trouble with respect to the barges since 1956.

An even more serious threat to the economic life of the city was announced at the end of March 1955. The Communist authorities set a new scale of exorbitant Autobahn tolls on trucks going to and from Berlin. This, again, was characterized immediately by some observers by the phrase "creeping blockade," likely to assume serious proportions. After fruitless negotiations lasting some weeks the Federal Republic decided to pay the increased tolls. It was feared that, once these



payments were met by the Government, they would be raised again to higher levels. Fortunately this form of blackmail has not occurred and traffic has flowed normally. In fact, it is 30 percent higher than in early 1955.

The delays in clearing German trucks at check points have also seemed at times to suggest an intent to enforce a blockade on the city. These intermittent delays have been eliminated in each case after a brief period.

A review of experiences such as these and other aspects of the Communist pressure on Berlin does not appear to me to indicate a consistent plan on the part of the Soviets. The changing policy has not been clear in direction nor effective in preventing reconstruction. It has to some extent stimulated extraordinary efforts and occasioned many evidences of support of Berlin from outside. It is not clear that the city has suffered any substantial net disadvantage because of these occurrences. Traffic in and out over recent months has been dependable. There has been no significant threat either to the Allied position there or to the increasing Federal Republic concern with Berlin as a future capital.

In spite of the fact that the Soviets find Berlin a constant source of annoyance and an Allied instrument for thwarting their Western drive, it is clear that they cannot by these methods destroy the spirit and the vitality of the city. Even if they continue their frequent attempts to probe for Western weakness, there is no reason to think that they are willing to take substantial risks in the area. They have not, in fact, challenged the Allied rights with respect to the city or the Berliners' position since 1949.

### Conclusion

The strange history of Berlin in the past decade gives a sound basis for the conclusion that nothing short of war can seriously disturb the morale of the city. A review of the sequence of events can be a source of encouragement to all other nations on the margins of freedom. It can show the positive effects not only of the will of the people to resist tyranny but also the importance in this situation of even symbolic military forces, such as are maintained in Berlin, at points of danger. Here we find a people who have been through periods of acute distress and have adjusted their lives to the

necessities of the times, a citizenry able, courageous, and adaptable. They are operating a municipality which can compare with those of many nations in Europe and can be expected to increase their resources and to improve their situation in the years that lie ahead.

One must realize that there is a deep weariness that comes with a long, continuous struggle. However, against this weariness there is the vigorous reaction to the provocative behavior of the Communist occupying authorities. The very irritations and dangers of their situation stimulate a vigorous response and give ample assurance that their efforts of a political nature will continue to have a vital meaning, and the momentum of their economic life is likely to build up until their standard of living approximates that of West Germany. Berlin has been a test case, within constricted geographic limits, of the failure of Soviet methods. This failure will continue, in Berlin and elsewhere, until the Soviets realize their error.

## United States Asks Departure of Hungarian Attaché

Press release 327 dated May 30

*Following is the text of a note delivered on May 29 to the Chargé d'Affaires of the Hungarian Legation, Tibor Zador.*

SIR: I have to inform you that the presence in the United States of First Lieutenant Karoly Meszaros, Assistant Military and Air Attaché at the Legation of the Hungarian People's Republic, is no longer agreeable to the United States Government.

Accordingly, it is requested that you inform your government of the desire of the United States Government that the departure of Lieutenant Meszaros from the United States be effected not later than June 3, 1957.

For the Secretary of State:

JACOB BEAM

*Deputy Assistant Secretary  
for European Affairs*

MR. TIBOR ZADOR

*Chargé d'Affaires ad interim of the  
Hungarian People's Republic.*

# Committee for Hungarian Relief Submits Final Report

## WHITE HOUSE ANNOUNCEMENT

White House press release dated May 14

President Eisenhower on May 14 received the final report of the President's Committee for Hungarian Refugee Relief.

The President approved the committee's request, following a meeting with committee members, that the committee be discharged on the basis that it had completed the work for which it had been appointed. The President thanked the members for their work, and the people of the United States for "the wonderful spirit of America in accepting and caring for these refugees."

The President also expressed his admiration and deep appreciation for the dedicated work of the many religious and other voluntary agencies which conducted the job of resettlement at such an unprecedented rate and in so many other ways helped the refugees. He likewise praised the accomplishments of the Government departments and agencies which performed vital functions in the program.

The President emphasized his agreement with the committee's statement that it was not dissolving because America's work for the Hungarians—here and abroad—is over. The policy of this country is to continue to meet its full share of the free world's responsibility and unique opportunity to help these people and to assist Austria, which with such great sacrifice cared for so many of them, the President pointed out.

The President approved and released the committee's report.

## REPORT BY PRESIDENT'S COMMITTEE FOR HUNGARIAN REFUGEE RELIEF

### I

On December 12, 1956 you appointed this Committee to assure full coordination of the efforts of all the voluntary agencies engaged in Hungarian refugee relief with each other and with the Government agencies involved. This work has now been done. This is the final report of that work and subject to your approval the Committee will now be dissolved.

We are not proposing that your Committee dissolve

because America's work for the Hungarian refugees—here or abroad—is over. The policy of this country is to continue to meet its full share of the free world's responsibility and unique opportunity to help these brave people who had revolted against the tyranny of Communism, as well as to assist Austria, which by making great sacrifices gave them asylum. This policy includes not only continuing to bring refugees to the United States, but also extending major assistance in other ways. Since, however, the requisite machinery is now in operation to provide this help on a normal, rather than an emergency basis, the continuance of this Committee is not necessary. One striking evidence of this change is the termination on May 9th of the humanitarian mission of the Joyce Kilmer Reception Center with the departure of the last refugees. It was possible to close Kilmer, not because no more refugees are coming, but because we are now organized to absorb almost directly into our society the remaining refugees to be brought here.

### II

#### The Transatlantic Lift

The magnitude of the exodus of Hungarians into Austria became clear by last December 1st, and your program to help meet the emergency there called for bringing 21,500 refugees to this country within a few weeks. On January 1st, you announced that this program would continue as the need continued. Up to May 1st a total of 32,075 reached our shores. Virtually all of these have been permanently resettled. So far as we know, no comparable mass movement into America has ever occurred in so short a time—of persons all penniless and few of whom could speak our language.

Substantially all of this movement was accomplished by a joint effort of the U.S. Military Air Transport Service (MATS), including both U.S. Air Force and Navy planes; of the U.S. Military Sea Transport Service (MSTS) with its ocean transports; and of the Inter-governmental Committee for European Migration (ICEM). With complete safety, MATS transported 13,120 on 214 flights; MSTS 8,945 on 5 ocean voyages; and ICEM 9,664 on 133 flights. While Russian tanks were firing on Hungarians, U.S. military planes and ships were carrying many thousands of them to the safe haven of our free land. Like the Berlin airlift, the meaning of this operation was not lost on the peoples of the world.

### III

#### Reception and Resettlement

At the Joyce Kilmer Reception Center, ably operated by the U.S. Army, more than twenty voluntary and Government agencies served the refugees.

These agencies were completely independent of each other and reported to their own individual headquarters. Therefore, a co-ordinating office of the President's Committee was established at Kilmer and all of the agencies there readily accepted its organizational plan. The Kilmer operation became a unique team



formed of businessmen, soldiers, educators, Government civilian personnel and the representatives of many voluntary agencies and of organized labor.

Job skills of the refugees were ascertained, and an efficient system was set up to match skills with job offers. To standardize the operation of the Reception Center, and to assure that the experience gained at Kilmer would be readily available for any future contingency, the Committee prepared a comprehensive organization manual. By early January, the rate of resettlement had been increased several times over that prevailing only a month before.

The function of the Committee throughout was to assist these agencies, not to take over their work. It was the agencies themselves, Government and voluntary—many of the latter with religious affiliations—which did the job. Health and security investigations were pursued in detail by the Government departments responsible, relieving public concern on both of these grounds. Up to May 1st, only 5 out of more than 32,000 refugees have had to be deported as security risks.

Three major factors contributed to the success of this program of resettlement—first, the wonderful spirit of America in accepting and caring for these refugees; second, the dedicated work of the religious and other agencies which conducted the unprecedented job of resettlement; and, finally, the quality of the refugees themselves. More than half of the employable refugees were professional, skilled or semiskilled workers. Many were scientists and doctors; many more were university students. The average age of the refugees was less than 25 years.

#### IV

### Assimilation

Supplementing the work of the initial resettlement, the Committee took a series of steps to assist in a satisfactory permanent assimilation of these refugees into our economy and society. This has proceeded well. Governors' committees to co-ordinate refugee relief exist in states which have received more than ninety percent of these refugees. Mayor's committees with similar responsibilities are active in various large cities. Resettlement work on the national level is now largely completed, and agencies exist in the states and localities to carry on from here.

#### V

### Education

Over 1,000 university students were among the refugees. Among these, a large proportion were pursuing studies in areas of the sciences in which the United States has critical personnel shortages. With generous aid from several Foundations, the Committee helped in setting up courses in basic English and Americanization for these young people. We followed this with a program designed to provide scholarships and maintenance funds. Through action of the Committee an effective team to direct this work has been created, and will continue to serve during the coming months.

June 17, 1957

#### VI

### Assistance Abroad

Last December and January the Committee also made an independent survey of the situation in Austria. This report proposed a policy and steps further to supplement United States action in giving refugees asylum in this country with increased efforts to assist on a major scale in supplying better temporary care in Austria and transportation to other countries which could give permanent asylum. The continuing leadership of the United States in this significant program directed by the State Department has, we believe, attracted far less attention than its magnitude and importance in contributing to the solution of the refugee problem deserve.

#### VII

### Appreciation

So many organizations and individuals have contributed to this program it is impossible to list them all here. To each of those of whose work we know, we are separately expressing our appreciation and that of free men everywhere.

It has been an honor to serve under your leadership.

Respectfully submitted.

LEWIS W. DOUGLAS, *Honorary Chairman*,  
TRACY S. VOORHEES, *Chairman*,  
J. LAWTON COLLINS, *Vice Chairman and Director*,  
WILLIAM HALLAM TUCK, *Vice Chairman*,  
LEO C. BEEBE, *Vice Chairman (Kilmer)*,  
ALFRED M. GRUENTHER,  
LEWIS M. HOSKINS,  
MRS. JOHN C. HUGHES,  
JOHN A. KROUT,  
MOSES A. LEAVITT,  
GEORGE MEANY,  
MR. EDWARD E. SWANSTROM,  
CHARLES P. TAFT,  
R. NORRIS WILSON,  
WILLIAM J. DONOVAN, *Counsel*.

May 14, 1957

## U.S. Protests Travel Bans Imposed on Embassy Staff in U.S.S.R.

Press release 285 dated May 13

### Department Announcement

The American Embassy at Moscow on May 13 delivered to the Ministry of Foreign Affairs of the Union of Soviet Socialist Republics a note protesting restrictions imposed by Soviet authorities on the travel of American Embassy personnel in areas officially open to travel by foreigners in the Soviet Union.

The note called upon the Ministry of Foreign

Affairs to inform the Embassy what steps the Ministry was prepared to take to bring the travel of American Embassy personnel in the U.S.S.R. into conformity with the Ministry's own notes of June and November 1953, as well as with the treatment of members of the Soviet Embassy traveling in the United States.<sup>1</sup> The note reiterated that, if the Soviet Union should conclude that the international situation were such that security requirements enabled it to liberalize its regulations restricting the travel of U.S. citizens in the Soviet Union, the U.S. Government would in turn be disposed to reconsider in the same spirit its own security requirements.

#### **Text of U.S. Embassy Note of May 13**

No. 914

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Union of Soviet Socialist Republics and refers to the Ministry's Notes No. 295/pr of June 22, 1953 and No. 400/pr of November 12, 1953 governing the travel of foreigners in the U.S.S.R. Reference is also made to the Note of January 3, 1955 of the Department of State, delivered to the Soviet Embassy in Washington, D.C., concerning travel in the United States by Soviet citizens other than Soviet citizen officers and employees of the Secretariat of the United Nations.

Experience has shown that there is a discrepancy between the application and enforcement upon members of this Embassy of travel regulations by the Soviet authorities and the application and enforcement of travel regulations upon members of the Soviet Embassy in Washington. From the manner and means by which travel of members of this Mission is regulated by the Soviet authorities, it is evident that the restrictions imposed in the Soviet Notes of June and November 1953 are being exceeded and in effect result in far more severe limitations upon travel of American personnel than indicated in these official communications of the Ministry. In this connection the United States Government desires to draw to the attention of the Soviet Government the following.

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<sup>1</sup> For text of U.S. note of Jan. 3, 1955, outlining travel regulations for Soviet citizens in the United States, together with texts of the Soviet notes of June 22, 1953, and Nov. 12, 1953, see BULLETIN of Jan. 31, 1955, p. 193.

On more than 36 occasions since July 1, 1956, Embassy officers have been prevented from visiting areas of the U.S.S.R. open to travel by foreigners, according to the Ministry's notes of June and November 1953, by declaration of such areas as temporarily closed, by denial of travel facilities or by other means. In contrast, on only two occasions since July 1, 1956 have open areas, in accordance with the Department of State's note of January 3, 1955, been declared temporarily closed. Both of these occasions occurred subsequent to the inception of extraordinarily stringent restrictions on the travel of foreigners in the Soviet Union in March and April, 1957. The United States Government has never interposed obstacles to the free use of travel facilities by Soviet personnel in the United States.

When members of this Embassy have visited open Soviet cities in open areas, they have frequently been prevented by roadblocks and other forms of police action from moving freely about the city or to its environs when these environs are in open areas beyond the city limits. On the other hand, the personnel of the Soviet Embassy in Washington visiting open American cities in open areas are permitted freedom of movement within the city and are not prevented from touring nearby open areas.

Whereas members of the Embassy are often required to utilize a specific automobile route between cities in the Soviet Union and are not permitted to schedule travel over other routes even though in open areas, Soviet personnel in the United States have not on any occasion since the establishment of travel regulations by the United States Government been required to revise their proposed route when scheduling travel by automobile in open areas.

It is clear from the above that American members of the Moscow Embassy are frequently barred by Soviet administrative or other actions from free travel to those areas which have been officially announced as open to foreign travel in the Ministry's own Notes. Moreover, the effect of these actions has been to institute a discrepancy between the treatment accorded American Mission personnel desiring to travel in the U.S.S.R. and the treatment of Soviet Embassy personnel traveling in the United States.

In order that it may communicate to the United States Government the Ministry's views,



the Embassy requests to be informed what measures the Ministry is prepared to take to bring the travel of Embassy personnel in the U.S.S.R. into conformity with the Ministry's Notes of June and November 1953 as well as with the treatment of members of the Soviet Embassy traveling in the United States. In this connection, the Embassy wishes to refer once again to the note of the Department of State of January 3, 1955, which states that, if the Soviet Union should conclude that the international situation were such that security requirements enabled it to liberalize its regulations restricting the travel of United States citizens in the Soviet Union, the United States Government would in turn be disposed to reconsider in the same spirit its own security requirements.

#### INTERNATIONAL ORGANIZATIONS AND CONFERENCES

### Further Discussions on Suez Canal in Security Council

*Following are the texts of two statements made in the U.N. Security Council on May 21 by Ambassador Henry Cabot Lodge. In his first statement Mr. Lodge spoke as U.S. Representative to the United Nations, in his second as President of the Security Council.*

#### FIRST STATEMENT BY MR. LODGE

U.S./U.N. press release 2675 dated May 22

In view of the importance of the Suez Canal to the economic activity of the world, it is understandable that France should have desired further discussions in the Security Council. In addition to France's interest as a canal user, it is true that her place here as a permanent member of the Security Council and her leading role in history in the advancement of civilization and in the struggle for human justice entitle her both to speak and to be heard with respect.

In my statement in the Security Council of

April 26,<sup>1</sup> I pointed out that "the Egyptian declaration in its present form does not fully meet the six requirements of the Security Council."

The principal shortcoming, in our view, is the lack of provision for an organized system of co-operation with the users of the canal. The lack of such a provision has cast serious doubt among the users regarding the system now put into effect by the Egyptian Government.

There are also a number of other ways in which the Egyptian declaration does not meet fully the six requirements which I shall enumerate as follows:

The Security Council has previously agreed that the operation of the canal should be insulated from the politics of any country. It is not clear from the Egyptian declaration how the Egyptian Government in fact intends to assure that this requirement will be implemented.

We note also that the manner of fixing tolls and charges, according to the Security Council resolution of 13 October, should be decided by agreement between Egypt and the users. To meet this requirement fully, we believe it is necessary that provision be made to cover the manner in which continuous cooperation with the users will be assured.

We note also that the Egyptian Government has not yet deposited its acceptance of the compulsory jurisdiction of the International Court of Justice in accordance with its statement of intention to do so. Again at yesterday's meeting, the Representative of Egypt reiterated his Government's intention to take the steps necessary to accept the International Court's jurisdiction. The United States would be interested in knowing when these steps will in fact be taken by the Egyptian Government.

Moreover, further clarification regarding the manner in which Egypt is proposing to give effect to the arbitration provisions of its declaration would be helpful.

Finally, the question of compensation of claims to the Suez Canal Company is also a matter which requires further clarification. It would be helpful in this connection if the Egyptian Government could indicate more precisely than in its declaration the method it has in mind for reaching agreement on this important question.

<sup>1</sup> BULLETIN of May 13, 1957, p. 775.

I referred at our last session also to the practical necessity that there be confidence among the users of the canal and that the arrangements be such that governments and private concerns can base their economic and business plans on the assumption that there will in fact be free and non-discriminatory use of the canal at all times by ships of all nations.

In expressing our willingness to give the system proposed by Egypt a trial I pointed out that the confidence of the users will depend on the manner in which the Egyptian declaration is carried out in practice.

As I said on April 26, the United States reserves its final judgment regarding the system proposed by the Egyptian Government in its declaration of April 24. De facto acquiescence by the United States must be provisional, and we reserve the right to express ourselves further on this matter in the future.

The United States believes it would serve the interests of Egypt, of its Arab neighbors, and of the users if the doubts that have been expressed could be dispelled by the Egyptian Government. In the meantime, we believe the Council should maintain its continued interest by remaining seized of this important question.

That concludes my statement as Representative of the United States.

## SECOND STATEMENT BY MR. LODGE

U.S./U.N. press release 2676 dated May 22

If no other member desires recognition, the present occupant of the chair would like to speak for a moment as President of the Security Council.

The Council has now completed a further discussion of the Suez Canal question. It is plain that a clear majority of the members of the Council are acutely aware of the responsibilities of the United Nations with regard to this matter. This is shown by the fact that the Council on October 13 adopted six requirements which should be met in any Suez Canal settlement—and adopted them unanimously.<sup>2</sup> There is the further fact that the Council has discussed this problem several times, and that it has remained seized of the issue is further evidence of the Council's interest and concern.

<sup>2</sup> *Ibid.*, Oct. 22, 1956, p. 616.

It is, of course, clear that certain views have also been expressed to the effect that the Egyptian declaration and the present operation of the Suez Canal do adequately implement the six requirements of the Council. But the majority of the members are of the opinion that these requirements have not yet been met, that there are uncertainties that require clarification, and that even as expressed by the Egyptian Representative yesterday the Egyptian position remains to be completed.

It has been observed several times that the Egyptian Government has not yet deposited its acceptance of the compulsory jurisdiction of the International Court of Justice in accordance with its statement of intention to do so. It has been a month or more since the Egyptian Government made this intention known, and again at yesterday's meeting the Representative of Egypt reiterated his Government's intention to take the steps necessary to accept the International Court's jurisdiction. It is natural in these circumstances that members should wish to know when such steps will in fact be taken.

Questions have been raised about the nature of the obligations which the Egyptian Government recognizes under the declaration, the manner in which they were put forward, and whether the Egyptian Government considers that it can amend or withdraw them arbitrarily at its own will.

In this connection, reference has been made to the provisional nature of the Egyptian declaration. As the Philippine Representative well said: "Most of the members qualified their acquiescence as provisional rather than final." The Philippine Representative also said: "The United Nations must continue to seek a final solution, while giving the interim arrangements a chance to work out without injury to the interests of any of the nations involved."

Doubts have been expressed about the lack of provision for organized user cooperation in the declaration, and it has been pointed out that further clarification is needed on the participation of the users implicit in various paragraphs of it, particularly those relating to arbitration and the fixing of tolls.

Members have pointed out that the obligations which Egypt appears to have assumed require further initiative from Egypt if those obligations are to be carried out.



Questions on compensation of claims in connection with the nationalization of the Suez Canal Company and concerning the method of reaching agreement have also been raised. Here again it has been pointed out that further initiative by Egypt is required.

Concern continues to prevail about the insulation of the canal from the politics of any nation, and this concern is inherent in all of the doubts expressed here about the adequacy of the Egyptian declaration.

These comments reflect continuing doubts, on the part of a number of members, regarding the Suez Canal system now put into effect by the Egyptian Government and about which clarification by Egypt is desired.

The Egyptian Government will presumably wish as soon as possible to examine these points carefully and to consider the concrete steps it can take to remove the doubts which have arisen. Member governments will undoubtedly be guided in their diplomatic action and users will be guided in their practical actions by the views that have been expressed here today and by the Egyptian response to the questions which have been raised here. In the meantime the Council will remain seized of the question and will be in a position to resume its deliberations to hear further from the Representative of Egypt or when other developments make it desirable.

## **Representative on Latin American Economic Commission**

The Senate on May 23 confirmed Harold M. Randall to be the representative of the United States of America to the seventh session of the Economic Commission for Latin America of the Economic and Social Council of the United Nations.

## **U.S. Delegations to International Conferences**

### **Baghdad Pact Council and Military Committee**

The Department of State announced on May 29 (press release 321) that the U.S. observer delegation to the third Ministerial Council session of the Baghdad Pact, to be held at Karachi, Pakistan,

beginning June 3, will be led by Deputy Under Secretary of State Loy W. Henderson. Mr. Henderson also headed the observer delegation to the second Council session at Tehran in April 1956.

Although the United States has not adhered to the pact, it participates in the work of several of the major committees, notably the Economic and the Countersubversion Committees. Moreover, at the invitation of the members, the United States has maintained continuing political and military liaison with the organization and has demonstrated in many ways its support for achievement of the pact's objectives in meeting threats of international communism.

Other members of the U.S. observer delegation are:

Gen. Nathan F. Twining, *senior military adviser to the delegation*, Chief of Staff, U.S. Air Force  
Waldemar J. Gallman, U.S. Ambassador to Iraq, U.S. Observer at sessions of the Council Deputies  
Arthur Z. Gardiner, *Chargé d'Affaires*, U.S. Embassy, Karachi  
John O. Bell, Director, U.S. Operations Mission in Pakistan  
Geoffrey W. Lewis, *Political Affairs Counselor*, U.S. Embassy, Karachi  
Stuart Rockwell, *Deputy Director*, Office of Near Eastern Affairs, Department of State  
Allan L. Swim, *Public Affairs Officer*, U.S. Embassy, Karachi  
George A. Mann, *Public Affairs Officer*, U.S. Embassy, Baghdad  
Robert C. F. Gordon, *Second Secretary*, U.S. Embassy, Baghdad  
Morris Dembo, *Second Secretary*, U.S. Embassy, Karachi

In March 1957 the United States indicated that it would be prepared to join the Military Committee of the organization upon invitation. The members of the pact have indicated their intention to extend such an invitation, and this action is one of the first items on the agenda of the Council session.

The United States will be represented at the meeting of the Military Committee at Karachi on June 3 by General Twining as Senior U.S. Military Representative. Other members of the U.S. delegation to the Military Committee meeting will be:

Rear Adm. Charles K. Bergin, U.S. Navy, Office of the Assistant Secretary of Defense for International Security Affairs  
Brig. Gen. Orrin L. Grover, U.S. Air Force, Office of the Joint Chiefs of Staff  
Brig. Gen. Forrest Caraway, U.S. Army, Office of the Joint Chiefs of Staff

Col. Stuart M. Alley, U.S. Army, Senior U.S. Military Officer, Baghdad Pact Military Liaison Group, Baghdad

### U.N. Refugee Fund

The Department of State announced on May 29 (press release 322) the members of the U.S. delegations to meetings of the U.N. Refugee Fund (UNREF), to be held at Geneva, May 31-June 7, 1957.

John W. Hanes, Jr., Deputy Assistant Secretary of State for International Organization Affairs, will be the U.S. Representative to the 5th session of the UNREF Executive Committee, which will meet June 3-7. Robert S. McCollum, Deputy Administrator for Refugee Programs, Bureau of Security and Consular Affairs, will be the Alternate U.S. Representative. Their advisers will be David H. Popper, Deputy U.S. Representative for International Organizations at Geneva, and Henry F. Nichol, Conference Officer at Geneva.

Mr. Popper will be the U.S. Representative to the 5th session of the UNREF Standing Program Subcommittee, which will meet May 31-June 3. Mr. Nichol will serve as his adviser.

## TREATY INFORMATION

## Current Actions

### MULTILATERAL

#### Atomic Energy

Statute of the International Atomic Energy Agency.  
Done at New York October 26, 1956.<sup>1</sup>

*Ratification deposited:* Afghanistan, May 31, 1957.

#### Fisheries

Protocol amending the international convention for the

<sup>1</sup> Not in force.

northwest Atlantic fisheries of February 8, 1949 (TIAS 2089). Done at Washington June 25, 1956.<sup>1</sup>  
*Ratification deposited:* United States, May 22, 1957.

### Weather

Convention of the World Meteorological Organization.  
Done at Washington October 11, 1947. Entered into force March 23, 1950. TIAS 2052.

*Notification by France regarding Saar:* From January 1, 1957, on, France no longer assumes responsibility regarding application of the convention to the Saar.<sup>2</sup>

### Whaling

Protocol amending the international whaling convention of 1946 (TIAS 1849). Done at Washington November 19, 1956.<sup>1</sup>

*Ratification deposited:* Japan, May 24, 1957.

## BILATERAL

### Australia

Agreement for cooperation concerning civil uses of atomic energy. Signed at Washington June 22, 1956.

*Entered into force:* May 28, 1957 (date on which each Government received from the other written notification that it had complied with statutory and constitutional requirements).

### Ecuador

Research reactor agreement concerning civil uses of atomic energy. Signed at Washington May 31, 1957. Enters into force on date on which each Government receives from the other written notification that it has complied with statutory and constitutional requirements.

### Germany

Agreement relating to the loan of certain naval vessels or small craft by the United States to the Federal Republic of Germany. Effected by exchange of notes at Bonn April 30 and May 1, 1957. Entered into force May 1, 1957.

## DEPARTMENT AND FOREIGN SERVICE

### Designations

Francis J. Colligan as Special Assistant to the Assistant Secretary for Public Affairs, effective May 24.

<sup>2</sup> The Saar was incorporated into the Federal Republic of Germany on Jan. 1, 1957, by the terms of the Franco-German treaty of Oct. 27, 1956.



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†Held for a later issue of the BULLETIN.

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# Bulletin

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THE DEPARTMENT OF STATE

# Bulletin

VOL. XXXVI, No. 939 • PUBLICATION 6507

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*The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.*

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52 issues, domestic \$7.50, foreign \$10.25  
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 19, 1955).

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# America's Responsibilities in the Far East

by *Walter S. Robertson*

*Assistant Secretary for Far Eastern Affairs*<sup>1</sup>

It is impossible to look at a youthful audience like this one without feeling hopeful. And perhaps there are very good grounds for hope. At least you are going to start out knowing more than your predecessors did about some very important things. When the generation which is now at the controls came of age, the American people considered their continent as set almost wholly apart from the Old World and from its interminable diplomatic maneuvers, national jealousies, and fratricidal wars. Even Woodrow Wilson, whom we recall as a great internationalist, did not once refer to foreign affairs in his first inaugural address. It required two world wars and a frightful toll in blood and in treasure to make your grandfathers and fathers understand that the United States had very great responsibilities in the world as a whole. It is easy for you to understand this; you have grown up with that knowledge. It would probably be difficult for you to imagine otherwise.

The whys and wherefores of responsibilities are difficult to define. About all we can say of them is this—responsibilities seem to be apportioned among men and among nations in strict accordance with their ability to bear them. You can say that Providence has arranged it so or that it is a matter of definition. Our capabilities and our responsibilities are always in exact balance. It is like double entry bookkeeping—every time you acquire an asset, you acquire a matching liability. We may say that all human progress is the result of men devoting their capabilities to the discharge of their responsibilities. All the needless strife, bloodshed, and suffering that has made human

history to so considerable an extent a thing of horror have resulted from men's failure to do just that—from their inability to perceive, and their predilection for ignoring, their responsibilities.

The willingness to face up to responsibility is the test of maturity among men and among nations. The United States is facing this test in an acute form in the world today. And you on this, your graduation day, are acquiring, as adult Americans, opportunities and responsibilities probably greater than those that have ever fallen to the lot of any people in history.

Charles Dickens, in what is perhaps his most frequently quoted passage, said of a period almost 200 years ago: "It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness . . . it was the season of Light, it was the season of Darkness, it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us. . . ." It was, he concluded, a period very like the one in which he was then living 100 years later.

In the face of Dickens' assertion that all ages were alike in combining the best good and the worst evil, the brightest promises and the direst threats, and that each age thinks itself unique in such a paradox, one hesitates to claim this character especially for one's own. Yet Dickens himself, as much as anyone, would surely be overawed by the extremity of the alternatives that confront us in the middle of the 20th century. Scientific discovery and invention are continually opening up new possibilities, and they are doing so at a rate of progress that seems to be constantly accelerating. This progress is not only rapid; it appears to be gathering speed. Each year we see ever greater possibilities more clearly before us.

<sup>1</sup> Address made at commencement exercises at Duke University, Durham, N. C., on June 3 (press release 336).

On the one hand, we can perceive ahead of us an age of plenty in which poverty and disease will finally have been conquered; we shall have come to control our environment; our horizons shall have been extended deep into the heart of matter and far out into space. On the other hand, we can perceive as an equally plausible possibility the destruction of civilization—conceivably life itself—by atomic devastation and the poisoning of the atmosphere or, if that is avoided, possibly the triumph of a barbarism of the spirit welling up in modern totalitarian form that could overwhelm our civilization as Rome was overwhelmed by a more innocent barbarism, ushering in a new Dark Ages.

Whether, as Dickens put it, we are “all going direct to Heaven” or are “all going direct the other way” is likely to be decided primarily by the way the United States exercises the leadership that has inescapably come to rest upon it. We have staunch and powerful partners in the trials we are having to meet and shall go on having to meet—the vast majority of nations that share our values. Indeed, we have as a potential ally the mass of mankind, whose hopes and longings depend upon us for their fulfillment more than upon anyone else.

Recent dramatic events in the great ideological struggle through which the world is now passing have been centered in the Middle East. There is a reason for this and an equally cogent reason why, from time to time, the backdrop of world drama will shift as international communism continues to probe for weak spots in the free world's armor. As the Far East is the area of my official responsibilities, it is there that I propose to ask your attention while I endeavor to develop the theme of America's responsibilities—responsibilities which on this day become your own.

### **Two Forces in the Far East**

For the sake of our discussion today I shall ask you to visualize the Far East as a place where two forces are in collision, like two air masses of opposing character that meet in what I believe is called an occluded front. This kind of front—if I am not mistaken—is characterized by rain, hail, sleet, lightning, and thunder.

In the Far East the front reaches from Japan and Korea through Southeast Asia, from whence it extends to Kashmir and Afghanistan. On almost all parts of its 7,000-mile length there are turbulences of one kind or another.

At the risk of overdoing our image, we might say that the warm air mass represents the resurgence of Asia—the movement of the Asians to throw off foreign rule and foreign domination; to catch up with the 20th century; to win recognition and respect for their importance; to realize their capabilities; to achieve tolerable conditions of life for their oppressed, ill-nourished, illiterate fellow beings; and, above all, to achieve the right to be themselves and to be answerable only to themselves. The other air mass, pushing its cold wedges down from the north, represents the force of aggressive, expansionist world communism, the object of which is antithetical to the object of the Asian revolution. If successful, it would bring the whole vast Asian world into the icy grasp of an alien tyranny.

The results of this collision will influence the climate of the world for as far into the future as we can see. Up to now the cold air mass, relying at times upon assault and at others upon insinuation, has overspread mainland China, Tibet, north Korea, north Viet-Nam, and north Laos, and has established pockets out ahead of the front in many areas. It has also had signal reverses. It overreached itself in Korea and was thrust back at heavy costs to the Koreans and to us, but at even heavier costs to itself. Its bids for control in Formosa and most of Southeast Asia have so far been frustrated.

Far Eastern policy has been a subject of particular controversy in the United States. In certain camps it is today. However, I believe that the vast majority of our countrymen is now pretty generally of one mind in its appraisal of the situation in the Far East and its meaning for us. At long last I believe it is generally recognized that the Communists are dedicated to the proposition that in the long run it must be we or they, the free world or their world.

This position was made clear long ago by Lenin. He wrote: “We are living not merely in a state but in a system of states and the existence of the Soviet Republic side by side with imperialist states for a long time is unthinkable. One or the other must triumph in the end. And before that end supervenes, a series of frightful collisions between the Soviet Republic and the bourgeois states will be inevitable.”

And I believe we also recognize that, having been frustrated in Europe by the Marshall plan and the North Atlantic Treaty Organization, the



Communists have been giving major attention to the Asian world, from Japan westward all the way to the Near East. The situation in this vast area has offered them distinct advantages. What are these advantages? Broadly speaking they are twofold.

### **Communist Advantages in Asia**

On the physical side there is the Communists' possession of the great base of operations offered by Russia and mainland China, to which the rest of Asia is geographically peripheral. Just as the position Russia achieved in Manchuria at the end of World War II gave the Communists an invaluable base for operations against China proper, so the addition of mainland China gives them an invaluable base for operations against the rest of Asia. It has given them, moreover, an army of perhaps two and a half million men and exposed the Chinese minorities in Southeast Asia to Communist penetration and intimidation. These minorities number between 10 and 12 million or more and play a key role in the economic life of the countries in which they live.

On the psychological side Asia has offered the Communists the opportunities that an absolutist, ruthless, highly disciplined, self-sure movement always finds in a situation of widespread disorder, of insecurity, doubt, confusion, discontent, and suffering. But the greatest psychological advantage the Communists have reaped arises from the fact that the Asians had traditionally looked upon Western Europe as the outstanding obstacle in the way of their revolution. It was European domination and European privilege that in the eyes of the Asians blocked the avenues of advance to a more rewarding and self-respecting future. By contrast the Communists were in their eyes fellow revolutionaries and allies in the struggle with Western imperialism. In one sense it has been asking a great deal of the Asians to expect that they would be able, in the short period since World War II, to see the West as an ally of their revolution and Communist imperialism as the outstanding threat to their new independence. Perhaps the remarkable thing is not that many Asians have been unable to readjust almost overnight to the radically altered circumstances of the present but that so many have done so.

The Communists, although absolutely fixed in their thinking with respect to ultimate objectives, are notorious improvisers in strategy and tactics.

For this reason a discussion of Communist blueprints of action is therefore generally fruitless. We are justified in surmising, however, that what the Communists are now aiming at is to utilize their assets in China to gain control of Southeast Asia with its strategic resources and its rice surpluses on which Japan depends. They would then dominate Japan's natural trading area and be able to dictate the terms on which the Japanese could make a livelihood. Completing the consolidation of their control over the whole Asian world, with its manpower, resources, and industry—Japan's industrial capacity is now 50 percent of that of the Soviet Union—they would be able to turn upon the Middle East and Western Europe with great strength and formidable prestige. This latter element—the factor of psychological momentum—is one that we should never underestimate. Success, as Hamlet said of appetite, grows with what it feeds on, and resistance which could stand off 10 or 20 or 100 divisions may crumble before a name.

It is well to recall Lenin's blueprint for world domination: "First we will take Eastern Europe, then the masses of Asia. Then we will surround America, the last citadel of capitalism. We shall not have to attack. She will fall into our lap like an overripe fruit." His blueprint has been followed with clocklike precision by his disciples. Starting from zero in our generation, the international Communists now hold in a grip of ruthless power 16 nations, 900 million people—a circumstance recently described by the Secretary of State as "the most frightening fact history records."

### **Holding Asia**

Faced with these ugly facts, we have become increasingly aware that Asia must be held against the pressures of all kinds the Communists are bringing to bear against it. However, it is only the Asians who can hold Asia. That statement does not lose force if we go on to recognize, as we have recognized, that the Asians need our help. This help we have been giving and are continuing to give to those who are seeking to preserve their national independence. First, we have been helping with the military defense of Asia. Our major assistance has gone to those countries under the most pressing threat. We have contributed substantially to building up effective military forces in the Republic of Korea,

Taiwan, and the Republic of Viet-Nam. In our view those forces serve to defend not only those three areas but the whole of free Asia. The presence of competent military forces anywhere on our side of the Iron Curtain in the Far East must make the Communists that much more reluctant to attack overtly anywhere else. The military forces of the Republic of Korea, the Republic of China, and the Republic of Viet-Nam are defending the countries of Southeast Asia, as well as their own countries, simply by maintaining their present impressive capabilities—even if they never budge from their present positions or fire a shot. The long-range American striking forces called for by our present strategy of defense are also calculated to deter aggression by the mere fact of their existence.

Now it is essential, of course, for the Asians to have something to fight *with*, but it is even more important for them to have something to fight *for*—or rather for them to realize how much they *have* to fight for, including the chance to achieve something better. However, it is much easier for us to provide weapons, however costly the operation may be, than to provide conviction and faith.

You may ask whether the Asians do not recognize that any people menaced by communism have everything to fight for, above all for their independence. My answer would be that the Asians are passionately attached to their independence. I would further submit that the vast majority of Asians are profoundly opposed to what communism consists of. I would even hazard the guess that nowhere in Asia, including China and Viet-Nam, could Communists, running as such, poll as heavy a percentage of the vote in a fair election today as they have in parts of the West.

But I would also point out that, while a growing knowledge of realities in the Communist world has gone a long way in disabusing the Asians—as it has the rest of the world—of illusions about communism, there are still many Asians who do not know what communism is and who accept its pretensions uncritically, deriving no small satisfaction from the discomfiture the Communists apparently cause the West. For those Asians who have had experience of Western overlords and of feudal overlords of their own but who have seen nothing of Communist

tyranny, it is not unnatural to think of communism in terms of economic and social radicalism—which is appealing to them—rather than in terms of Soviet Russian and Communist Chinese reactionary imperialism. At the same time, most of the population of Asia is living in circumstances that even by Asia's own pathetic standards are desperate.

This means that the Asian revolution, insofar as it is a nationalist revolution, is today living on borrowed time. An improvement has got to be shown in the conditions in which the vast majority of Asians live. Such an improvement cannot be taken for granted. Human beings cannot be expected to submit to starvation because they are told that communism would be worse.

### **U.S. Economic Aid**

What the United States is trying to do in the economic field is to extend aid and technical assistance where it will count for the most, where the economic and social structures of the new Asian nations are weakest. We cannot give aid of a magnitude that would industrialize Asia in a matter of years or cause dramatic changes in the standards of living of 700 million people. But we can help bring about specific improvements—say in transportation systems, in small industries, in public administration, in agricultural methods, in the diversification of production. We can help to create a constructive atmosphere, an atmosphere of hope, a climate of confidence in free Asia's present nationalist, moderate leadership. Further, we can take the lead in reducing those arbitrary barriers to the wider development of Asia's resources and the world's resources—high tariffs, quota systems, and the like—by which a nation seeks to live in a world apart when the survival of all depends on common effort.

Any illusions we may have that the Communists would genuinely like to reestablish peace and relieve sources of friction on any terms other than the progressive destruction of our world should be dispelled by a knowledge of the vilification and abuse that the Communists are constantly pouring upon us.

It is important for us to keep constantly in mind the fact that the Asians are continuously exposed to this unceasing barrage of anti-American propaganda. The objective, of course, is to picture the United States as the archenemy of



everything the Asians are struggling for. Actually, the United States emerges from Communist propaganda as having all the essential features of international communism. The chief effect is probably not so much to win friends for communism as to strengthen the view of some Asians that the two sides in the cold war are equally overbearing and equally wrong and that therefore they themselves can stand aside from the conflict. This is a comforting notion, bringing release from all responsibility.

### Neutralism

I always have two reactions to neutralist views. First, I wonder how we can make clearer the origins of the cold war and the reasons for programs of American foreign aid. It is so clear to us that the United States has come into conflict with the Communists not because we have any desire to extend our influence beyond our borders, not because *we* have been immediately and directly threatened by Communist imperialism, but because we have responded to requests for assistance from those nations which, neighboring on the Communist world, have been immediately threatened. It is hard to see how the facts could be made plainer. My second feeling is one of curiosity as to whether the neutralists ever stop to wonder what would happen to them if we followed their example and also stood back from the conflict between Communist imperialism and the rest of the free world and allowed nature to take its course.

However, we must not be too discouraged by neutralist sentiment in Asia. We must remember what our objective is. It is not to achieve popularity or win admirers. Our purpose is to see that the independence of the Asian nations is preserved and that they are able to stand on their own feet. Moreover, it would not be very becoming to us to be too shocked by the phenomenon of neutralism. We must remember that for the first century and a half after our own achievement of independence our foreign policy was devoted to keeping out of the affairs of the Old World and keeping the Old World out of the affairs of the New.

Fortunately for us, during our first century we were geographically remote from the theaters of major conflict—unlike the Asians today—and mercifully were threatened with no such worldwide conspiracy as the Communist International.

And further, the security of the Western Hemisphere had an effective defender in the form of the British Navy. Nevertheless, we were too long in discovering that in the 20th century no nation is geographically remote. We learned in 1917 and again in 1941 that for nations today the cost of escaping involvement in a world at peace is apt to be involvement in a world at war from which they cannot escape.

It is to avoid a repetition of two world wars that we are now striving to help develop in the free world, East and West, a strength sufficient to stay the aggressor's hand. It is to avoid having once again to fight to the death for our survival in circumstances of the aggressor's choosing—in a war that this time we could not see the end of. It is our responsibility to contribute all we can to the creation of that strength because without us it cannot be created. It remains our responsibility no matter what anyone says about us—enemy, friend, or neutralist. And we may be sure that the more we succeed in acquitting ourselves of this responsibility, the more vituperations we shall have from our enemies—who will see their opportunities fading—the more frankly our friends will speak their minds, and the sharper the criticism will be from some of the neutralists. That will all be evidence that we are achieving our ends.

We are fond of saying in speeches that we must help in the defense of freedom everywhere because it is in our self-interest to do so, because, so long as freedom is in danger anywhere, our own is not safe. That is quite true. I find it tiresome, however, and unworthy of us to invoke exclusively our own self-interest. Our responsibilities are not primarily to ourselves but to the past and to the future. Our freedom was bought not at Yorktown and Midway alone but on a thousand battlefields from Thermopylae to the Marne, Lake Ladoga, and the skies of Britain. Our material possessions go back to Archimedes, the Arab algebraists, and Galileo. We Americans, unlike the Russians, did not invent everything. Much of the inspiration of our art and our religion is to be found among the ancient peoples of the East.

As we look about us at our heritage of incredible blessings, spiritual and material, and at the magnificent continent we inhabit, we must continually remind ourselves how much we owe not only to our own efforts but to our forefathers, to other peoples, and to Providence. This is a debt we can

repay only to the fellow inhabitants of our world and to the future. For my own part I feel that nowhere more than in Asia, where so many are struggling against such heavy odds for one hundredth part of the rewards we take for granted, will assistance from us be productive of important returns for all mankind.

All nations have immense responsibilities today. As the structure of civilization grows more complicated and integrated and more charged with explosives, its tolerance of mistakes grows less and less. A reckless policy by a single nation, even a small one, can do far more damage today than it would have done 50 years ago. The latitude we can allow ourselves is particularly limited because we carry so much weight. Our responsibilities are greater than anyone's because we have more to give. Other nations when hard pressed and in desperate need of support can look behind them and find us there. And the postwar years have shown that other peoples in their extremity do not look to us in vain. But behind us there is no one. It all stops with us. If we fail, there will be no one to fill the breach. That suggests the nature of our responsibilities.

And with one further word on the general subject of responsibilities I shall end: The only way to get rid of responsibilities is to discharge them.

## **Secretaries of State and Defense Review Girard Case**

*Following is a joint statement of Secretary of State John Foster Dulles and Secretary of Defense Charles E. Wilson, issued by the Department of Defense on June 4.*

The case of U.S. Army Specialist 3rd Class William S. Girard has far-reaching implications, involving as it does the good faith of the United States in carrying out a joint decision reached under procedures established by treaty and agreement with Japan.

The case involves actions by Girard which caused the death of Naka Sakai, a Japanese woman, on January 30, 1957. The issue arose as to whether or not Girard should be tried by U.S. court-martial or by a Japanese court. After careful deliberation in the Joint U.S.-Japan Committee established by the two Governments pursuant to treaty arrangements, the U.S. representative on this Committee was authorized to agree,

and on May 16, 1957, did agree, that the United States would not exercise its asserted right of primary jurisdiction in this case. In view of this completed action, attempting to prolong the dispute over the jurisdictional issue would create a situation which could basically affect U.S. relations not only with Japan, but also with many other nations.

For these reasons, Secretary of State John Foster Dulles and Secretary of Defense Charles E. Wilson have carefully reviewed all the available facts in the case. They have now concluded that the Joint Committee's agreement that Girard be tried in the courts of Japan was reached in full accord with procedures established by the Treaty and Agreement, and that in order to preserve the integrity of the pledges of the United States, this determination by the Joint Committee must be carried out.

The Secretaries' review disclosed the following:

The incident occurred in a maneuver area provided by the Japanese Government for part-time use of United States forces. The Japanese Defense Force uses the same area about 40% of the time. When the area is not in use by either the United States or Japanese armed forces, Japanese civilians are permitted to farm or otherwise use the area.

Efforts to keep civilians away from the area during such military exercises have not proved effective. In this particular case, red boundary flags were, as customary, erected as a warning to civilians to keep off, and local authorities were notified of the proposed exercises. But, as was frequently the case, a number of Japanese civilians were in the area gathering empty brass cartridge cases at the time of the incident. These civilians had created such a risk of injury to themselves in the morning exercises when live ammunition was used that the American officer in charge withdrew live ammunition from the troops prior to the afternoon exercises. In the interval between two simulated attacks during the afternoon, Girard and another soldier, Specialist 3rd Class Victor M. Nickel, were ordered by their platoon leader, a Lieutenant, to guard a machine gun and several field jackets at the top of a hill. Girard and Nickel were not issued live ammunition for this duty.

It was while these soldiers were performing this duty that the incident occurred. Mrs. Naka Sakai, a Japanese civilian, died a few moments



after being hit in the back by an empty brass rifle shell case fired by Girard from his rifle grenade launcher. She was not over 30 yards from Girard and was going away from him when he fired the rifle. Girard had previously fired similarly in the vicinity of a Japanese man, who was not hit.

Girard's action in firing empty shell cases from the rifle grenade launcher was not authorized. He asserted that he fired from the waist, intending only to frighten the Japanese civilians. Others stated, but Girard denied, that empty shell cases were thrown out to entice the Japanese to approach.

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Under the U.S.-Japanese Security Treaty<sup>1</sup> and Article XVII of the Administrative Agreement<sup>2</sup> under that Treaty, as established by the Protocol adopted September 29, 1953,<sup>3</sup> the authorities of Japan have the prior right to jurisdiction to try members of the United States armed forces for an injury caused to a Japanese national, unless such injury is one "arising out of any act or omission done in the performance of official duty."

The Japanese authorities have taken the position that Girard's action in firing the shell cases was outside the scope of his guard duty and was, therefore, not "done in the performance of official duty."

The Commanding General of Girard's division certified that Girard's action was done in the performance of official duty.

In accordance with the procedure established under the Treaty and Administrative Agreement, the disputed matter was, on March 7, 1957, taken before the Joint U.S.-Japan Committee established under the provisions of the Treaty and Administrative Agreement previously referred to.

Various meetings were held between the United States and Japanese representatives on the Joint Committee. As is customary, a representative of the American Embassy in Tokyo also attended these meetings in the capacity of observer. Both sides continued to press their respective claims to primary jurisdiction, and the Committee was unable to reach agreement.

The Commanding General, Far East Command, reported the facts to the Department of the Army, the executive agent for the Department of De-

fense. The Department of Defense considered having the Joint Committee refer the matter in dispute to the two Governments for settlement, but rejected this procedure as inadvisable under the circumstances. Department of Defense instructions were accordingly issued, through the Department of the Army, to the Far East Command to the effect that the U.S. representative on the Joint Committee should continue to press the claim for jurisdiction, but that, in case of continued deadlock, he was authorized to waive jurisdiction to Japan. After three weeks of additional negotiations, the U.S. representative waived jurisdiction in the name of the United States.

Girard was subsequently indicted by the Japanese judicial authorities for causing a death by wounding—the least serious homicide charge for which he could have been indicted under Japanese law. In determining whether Girard's actions were in violation of law, all the facts, as presented by both sides, must now be weighed by the Japanese court, just as they would by a U.S. court-martial, if trial were held under U.S. jurisdiction.

In accordance with Public Law 777 of the 84th Congress, the United States Government will pay for counsel chosen by Girard to defend him in this trial. Pursuant to the Administrative Agreement under the Japanese Treaty, Girard will be guaranteed a prompt trial, the right to have representation by counsel satisfactory to him, full information as to all charges against him, the right to confront all witnesses, the right to have his witnesses compelled to attend court, the right to have a competent interpreter, the right of communication with United States authorities, and the presence of a United States representative as an official observer at the trial. This observer is required to report to United States authorities on all aspects of the trial and the fairness of the court proceedings.

The U.S. authorities will, of course, see that all evidence is available to Girard and his counsel, and will render every proper assistance to him and his counsel in protection of his rights.

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United States troops are stationed in many countries as part of our own national defense and to help strengthen the Free World struggle against Communist imperialism. The matter of jurisdiction in cases of offenses against the laws

<sup>1</sup> BULLETIN of Sept. 17, 1951, p. 464.

<sup>2</sup> *Ibid.*, Mar. 10, 1952, p. 382.

<sup>3</sup> *Ibid.*, Nov. 2, 1953, p. 595.

of host countries, whether by our servicemen abroad or by servicemen of other countries in the United States, is dealt with by mutual agreements.

In the operation of this system in Japan there has been the greatest measure of mutual trust and cooperation. Since the present arrangement became effective in October 1953, Japan, in the overwhelming majority of the cases in which it had primary right to try American personnel, has waived that right in favor of U.S. action. There is every reason to believe that trial of U.S. Army Specialist 3rd Class William S. Girard in the Japanese courts will be conducted with the utmost fairness.

## **India Begins Repayment of Lend-Lease Silver Debt**

Press release 340 dated June 4

*Following is the text of the remarks made at Jersey City, N. J., on May 31 by William V. Turnage, Deputy Director, Office of International Financial and Development Affairs, on the occasion of the receipt from India of the first installment (3,263,000 fine troy ounces) on India's repayment of its World War II lend-lease silver debt to the United States.*

It is a privilege for me to be here this morning to accept on behalf of the United States Government the first installment of silver returned by India to the United States in accordance with the terms of the lend-lease silver agreements of 1943 and later. The United States lend-leased silver to India, as well as to some of our other allies in World War II, as a gesture of friendship and as a means of assisting them in carrying out their war effort. The agreements provided that the silver was to be returned 5 years after the end of the national emergency.

We are now witnessing the beginning of the final fulfillment of an agreement made about 14 years ago. Those were days of considerable stress and turbulence. We can now, perhaps, look back upon those days with a sense of historical perspective. One of the unchanging elements in the picture, however, is demonstrated in the determination of free and independent nations to carry out their commitments. We are exceedingly thankful of this reminder that we have been able to make such agreements throughout the world, as in this instance with India.

## **Tenth Anniversary of Marshall Plan**

*Following is the text of a message sent by President Eisenhower to General of the Army George C. Marshall on June 5. The message was read during ceremonies held at the President's Guest House on that date when General Marshall was honored by member nations of the Organization for European Economic Cooperation on the 10th anniversary of his address at Harvard University in which, as Secretary of State, he set forth proposals for the European Recovery Program.*

White House press release dated June 5

DEAR GENERAL MARSHALL: Only ten years ago, the nations of free Europe stood on the brink of economic collapse and political chaos. Millions of men and women who had fought and suffered in World War II to regain peace and freedom were confronted by a new danger infinitely more complex but no less terrifying than war itself. The fate of all Western Civilization hung in the balance, and there were many to whom disaster seemed inevitable. That this tragedy was averted is due in large measure to the bold and imaginative undertaking which you proposed and which rightfully bears your name.

Today, on the tenth anniversary of the pronouncement that launched this undertaking, free Europe has recovered a remarkable degree of economic health, accompanied by an upsurge in political stability, military power, and spiritual vitality.

As the world today looks ahead to the troublesome problems of the future, we can take courage and confidence from our experience in this program—from the proven demonstration that even the most intricate of human problems are soluble—from the knowledge that mankind is still capable of moving forward with imagination and faith to build a safer and happier world.

I trust that you feel great pride in the success of the European Recovery Program. I assure you that the American people have a deep appreciation of what you did for them in proposing and designing that program.

With best wishes for your continued health and happiness,

Sincerely,

DWIGHT D. EISENHOWER



## Economic Negotiations Between the United States and Poland

Press release 343 dated June 7

### DEPARTMENT ANNOUNCEMENT

The chairmen of the United States and Polish economic delegations on June 7 issued a joint statement announcing the completion of the economic negotiations between the two Governments which began on February 26.<sup>1</sup>

As indicated in the joint announcement, the United States and Poland have entered into credit and sales arrangements providing for the shipment to Poland of agricultural commodities and mining machinery. An amount of \$30 million will be extended to Poland in the form of a line of credit, to be administered by the Export-Import Bank of Washington. In addition, an amount of \$18,900,000 is provided for in an agreement for the sale of cotton and fats and oils to Poland for local currency (Polish zlotys) pursuant to the Agricultural Trade Development and Assistance Act (Public Law 480).

The representatives of the two Governments have also prepared the text of a supplement to the agricultural surplus commodities agreement which would add to the agreement just signed provision for the sale of additional surplus agricultural commodities (wheat and cotton) valued at \$46,100,000 at export prices and including ocean transportation. It is hoped that the supplemental agreement may be signed as soon as possible.

Polish zlotys received by the United States under the agreement on surplus agricultural commodities will be deposited at the rate of 24 zlotys to \$1, the most favorable prevailing rate of exchange, in a special dollar denominated account. Such zlotys will be available for U.S. uses, including expenses of the American Embassy in Warsaw. The agreement provides that, beginning 5 years after the date of the agreement, the Polish Government will repurchase for dollars, at a rate not to exceed \$726,000 per year, such zlotys

as the United States does not use. Upon entry into force of the supplemental agreement this amount would be increased to \$2,500,000.

The Polish Government has expressed the desire to make additional purchases of agricultural and other commodities in the United States under credit or local currency sales arrangements. The United States will continue to study these proposals and will give consideration to discussions with the Polish Government with respect to them at a mutually convenient date.

The two Governments have also agreed upon early negotiations looking toward the settlement of American property claims against Poland resulting from nationalization measures after World War II and the unblocking of prewar Polish assets in the United States.

There is at present no reliable estimate of the value of American property affected by nationalization and other property takings by Poland. As one of the steps in the preparation for these discussions, the United States Foreign Claims Settlement Commission will in the near future issue a public notice requesting American claimants to furnish certain information with respect to their property claims against Poland.

The value of blocked prewar Polish assets in the United States is estimated at less than \$2 million.

In separate actions the Government of the United States is taking the following measures designed to broaden commercial and financial relations with Poland:

The U.S. Treasury Department is amending Treasury Circular 655 so as to remove the prohibition on the transmittal of Treasury checks and remittances in payment of social security, veterans, and other benefits under United States laws to Polish residents. Such remittances have been prohibited since 1951. The Polish Government has informed the U.S. Government of the change in Polish exchange and other administrative regulations and particularly of the regulation of the Polish Minister of Finance, dated November 7,

<sup>1</sup> BULLETIN of Mar. 18, 1957, p. 440.

1956, removing the prohibition on the possession of foreign means of payment by Polish citizens in the country, as well as of the introduction of a new exchange rate in regard to remittances from abroad, effective from February 11, 1957. These changes make it possible for Polish citizens to receive from abroad checks and remittances of this kind and to hold or cash them at the highest official rate of exchange, currently 24 zlotys to \$1.

The Department of Agriculture of the United States is announcing that the Commodity Credit Corporation is now prepared to consider applications for credit arrangements in connection with export sales of Commodity Credit Corporation commodities for shipment or transshipment to Poland.

The Department of Commerce will shortly announce amendments of its export control regulations designed to simplify licensing procedures for U.S. exports to Poland.

The members of the U.S. and Polish economic delegations were as follows:

#### *United States delegation*

Thorsten V. Kalijarvi, Assistant Secretary of State for Economic Affairs, *chairman of the delegation*

Harold C. McClellan, Assistant Secretary of Commerce

Earl L. Butz, Assistant Secretary of Agriculture

Stuart H. Van Dyke, Director, Regional Office for Europe and Africa, International Cooperation Administration

#### *Polish delegation*

Henryk Kotlicki, Director General, Ministry of Finance, *chairman of the delegation*

Stanislaw Raczkowski, Adviser to the President of the National Bank of Poland

Zygmunt Karpinski, Adviser to the President of the National Bank of Poland

Edward Iwaszkiewicz, Member, Planning Commission of the Council of Ministers

Marian Adamski, Departmental Director, Ministry of Foreign Trade

### **JOINT STATEMENT BY CHAIRMEN OF U.S. AND POLISH DELEGATIONS**

The economic negotiations between the United States and Polish Economic Delegations, which began on February 26, were completed today.

As a result of these negotiations the two Governments have agreed upon arrangements for the shipment to Poland of agricultural and other products from the United States and on further

steps for the settlement of questions relating to American property in Poland and Polish property in the United States.

### **I. Agreements Concerning Polish Purchases of Commodities and Equipment in the United States**

1. The United States will extend to Poland a line of credit of \$30,000,000, to be administered by the Export-Import Bank of Washington, for the purchase of agricultural products and mining equipment and the payment of transportation costs. The credit will be repayable in dollars and will bear interest at 4½%. Payments on the principal amount of the credit will begin in 1962 and will be amortized over a period of 20 years.

2. Under the terms of the Agricultural Trade Development and Assistance Act the United States will sell to Poland for local currency, cotton and fats and oils, pursuant to an agreement entered into between the two Governments. The export value of the commodities provided for under this agreement together with transportation costs for products moved in United States flag vessels is about \$18,900,000.

The Export-Import Bank credit of \$30,000,000 together with shipments under the Agricultural Commodities Agreement would enable Poland to make the following purchases in the United States:

| <i>Commodity</i>           | <i>Quantity<br/>(Approximate)<br/>metric tons</i> | <i>Export Value<br/>(Approximate)</i> |
|----------------------------|---------------------------------------------------|---------------------------------------|
| Wheat                      | 100,000                                           | \$6,400,000                           |
| Cotton                     | 25,000                                            | 19,200,000                            |
| Soybeans                   | 60,000                                            | 6,000,000                             |
| Fats and oils              | 17,500                                            | 3,600,000                             |
| Mining Machinery           |                                                   | 4,000,000                             |
| Transportation (estimated) |                                                   | 9,700,000                             |
|                            |                                                   | <hr/> \$48,900,000                    |

### **II. Preparation of Text of Supplemental Agreement**

1. The two Governments have also prepared the text of a supplement to the Agricultural Commodities Agreement which would, when made effective, provide for the sale to Poland, for local currency, of the following additional commodities:

| <i>Commodity</i>           | <i>Quantity<br/>(Approximate)<br/>metric tons</i> | <i>Export Value<br/>(Approximate)</i> |
|----------------------------|---------------------------------------------------|---------------------------------------|
| Wheat                      | 400,000                                           | \$25,600,000                          |
| Cotton                     | 24,400                                            | 17,100,000                            |
| Transportation (estimated) |                                                   | 3,400,000                             |
|                            |                                                   | <hr/> \$46,100,000                    |

The text of this supplement to the Agricultural Commodities Agreement provides that it would



become effective upon signature. While this text cannot be signed at the present moment, it is the intention of the two Governments to arrange for signature at the earliest practicable date.

### III. Property Questions

1. The two Governments have agreed to start, early in 1958 in Warsaw, negotiations for a lump-sum settlement of American property claims resulting from nationalization and other property-takings by Poland.

2. The two Governments will also begin discussions at an early date looking toward the release of pre-war Polish assets in the United States which have been blocked under regulations of the Government of the United States.

THORSTEN V. KALIJARVI

*Chairman, United States Economic Delegation*

HENRYK KOTLICKI

*Chairman, Polish Economic Delegation*

WASHINGTON, D. C.

June 7, 1957

### TEXT OF AGREEMENT

#### Surplus Agricultural Commodities Agreement Between the United States of America and the Polish People's Republic

The Government of the United States of America and the Government of the Polish People's Republic,

Recognizing the desirability of expanding trade in agricultural commodities between their two countries in a manner which would not displace usual marketings of the United States of these commodities or unduly disrupt world prices of agricultural commodities;

Considering that the sale of agricultural commodities produced in the United States for zlotys will assist in achieving such an expansion of trade;

Desiring to set forth the understandings which govern the sales of agricultural commodities by the Government of the United States of America pursuant to Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, and the measures which the two Governments will take individually and collectively in furthering the expansion of trade in such commodities;

Have agreed as follows:

#### ARTICLE I

##### *Sales for Local Currency*

Subject to the issuance by the Government of the United States of America and acceptance by the Government of the Polish People's Republic during the period ending

October 31, 1957, of purchase authorizations, the Government of the United States of America undertakes to finance the sale to purchasers authorized by the Government of the Polish People's Republic of the following agricultural commodities pursuant to Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, in the amounts indicated.

| <i>Commodity</i>      | <i>Value<br/>(million dollars)</i> |
|-----------------------|------------------------------------|
| Cotton                | \$14.4                             |
| Inedible tallow       | 2.8                                |
| Edible vegetable oils | 0.8                                |
| Ocean transportation  | 0.9                                |
| Total                 | \$18.9                             |

Purchase authorizations issued pursuant to the above will include provisions related to the procurement and delivery of commodities, the time and circumstances of the deposit of the zlotys accruing from such sale, and other relevant matters.

#### ARTICLE II

##### *Uses of Zlotys*

1. The two Governments agree that the zlotys accruing to the Government of the United States of America as a consequence of the sales made pursuant to this Agreement will be used by the Government of the United States of America, in accordance with Section 104 of the Agricultural Trade Development and Assistance Act of 1954, as amended, to help develop new markets for United States agricultural commodities under subsection (a) thereof; to finance the purchase of goods or services for other countries under subsection (d) thereof; to pay United States obligations under subsection (f) thereof; to finance educational exchange activities under subsection (h) thereof; and to finance the translation, publication and distribution of books and periodicals under subsection (i) thereof.

2. The zlotys accruing under this Agreement shall be expended by the Government of the United States of America, for the purposes stated in paragraph 1 of this Article, in such manner and order of priority as the Government of the United States of America shall determine. It is understood that, with respect to the purchase of goods or services for other countries, the types, quantities and prices will be subject to negotiation between the two Governments.

#### ARTICLE III

##### *Deposit of Zlotys*

1. The amount of zlotys to be deposited to the account of the United States shall be the dollar sales value of the commodities reimbursed or financed by the Government of the United States converted into zlotys at the highest of any rate of exchange (i. e. the largest number of zlotys per U.S. dollar) established by the Government of the Polish People's Republic or any agency thereof, prevailing on the dates of dollar disbursement by the United States. Such dollar sales value shall include ocean freight and handling reimbursed or financed by the Government of the United States under this Agreement

except that it shall not include any extra cost of ocean freight resulting from a United States requirement that the commodities be transported on U.S. flag vessels.

2. The two Governments agree that the following procedure shall apply with respect to the zlotys deposited to the account of the United States under this Agreement.

(a) On the date of the deposit of such zlotys to the account of the U.S. they shall, at the same rate of exchange at which they were deposited, be converted and transferred to a special dollar denominated account to the credit of the United States Government in the National Bank of Poland.

(b) Withdrawals in zlotys from such special dollar denominated account by the United States for uses referred to in Article II of this Agreement other than the purchase of goods or services for other countries shall be paid by the National Bank of Poland at the highest of any rate of exchange (i. e. the largest number of zlotys per U.S. dollar) established by the Government of the Polish People's Republic or any agency thereof, prevailing on the date of the withdrawal, provided that if such rate is less favorable than the rate at which zlotys were deposited under paragraph 1 of this Article, the rate in paragraph 1 shall apply.

(c) Payment for purchases of goods or services for other countries referred to in Article II of this Agreement shall be made by reducing the balance in the dollar denominated account by an amount equal to the dollar prices of such purchases agreed upon by the two Governments.

(d) If any unused balance remains in such special dollar denominated account on and after June 1, 1962, the Government of the Polish People's Republic agrees that if the United States Government shall so elect, the National Bank of Poland will sell to the Government of the United States the sum of \$726,000 in dollar exchange annually, beginning on June 1, 1962, and on each succeeding June 1, such dollar exchange to be paid for by reducing the balance in the dollar denominated account by the same amount.

#### ARTICLE IV

##### *General Undertakings*

1. The Government of the Polish People's Republic agrees that it will take all possible measures to prevent the resale or transshipment to other countries, or the use for other than domestic purposes (except where such resale, transshipment or use is specifically approved by the Government of the United States of America), of the surplus agricultural commodities purchased pursuant to the provisions of this Agreement, and to assure that the purchase of such commodities does not result in increased availability of these or like commodities for export to other countries.

2. The two Governments agree that they will take reasonable precaution to assure that sales or purchases of surplus agricultural commodities pursuant to this Agreement will not unduly disrupt world prices of agricultural commodities or displace usual marketings of the United States of America in these commodities.

#### ARTICLE V

##### *Consultation*

The two Governments will, upon the request of either of them, consult regarding any matter relating to the application of this Agreement or to the operation of arrangements carried out pursuant to this Agreement.

#### ARTICLE VI

##### *Entry Into Force*

This Agreement shall enter into force upon signature.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present Agreement.

Done in duplicate at Washington in the English and Polish languages this seventh day of June, 1957.

For the Government of the United States of America:

THORSTEN V. KALIJARVI

For the Government of the Polish People's Republic:

HENRYK KOTLICKI

#### NOTES RELATING TO RATE OF EXCHANGE

##### **U.S. Note**

JUNE 7, 1957

EXCELLENCY: I have the honor to refer to the Surplus Agricultural Commodities Agreement between the Government of the United States of America and the Government of the Polish People's Republic signed today and in particular to Article III, Paragraph 1, concerning the rate of exchange for the deposit of zlotys by the Government of the Polish People's Republic in payment for surplus agricultural commodities.

I wish to confirm the United States Government's understanding of the agreement reached that so long as there is no change in the present exchange rate system of Poland, the rate of twenty-four (24) zlotys per U.S. dollar shall be considered the "highest of any rate of exchange (i. e. the largest number of zlotys per U.S. dollar), established by the Government of the Polish People's Republic or any agency thereof".

I shall appreciate receiving Your Excellency's confirmation of the above understanding.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

THORSTEN V. KALIJARVI

*Chairman of the United States Delegation*

His Excellency

HENRYK KOTLICKI,

*Chairman of the Polish Delegation.*

##### **Polish Note**

JUNE 7, 1957

EXCELLENCY: I have the honor to refer to your note of June 7, 1957 reading as follows:



[At this point the Polish note repeats the preceding U.S. note.]

I have the honor to confirm on behalf of my Government the understanding set forth in the above quoted note.

Accept, Excellency, the assurances of my highest consideration.

HENRYK KOTLICKI  
Chairman,  
Polish Economic Delegation

His Excellency  
JOHN FOSTER DULLES,  
Secretary of State.

**TEXT OF SUPPLEMENTAL AGREEMENT**

**Agreement (For Signature at a Mutually Convenient Date) Amending the Surplus Agricultural Commodities Agreement of June 7, 1957 Between the United States of America and the Polish People's Republic**

The Surplus Agricultural Commodities Agreement between the United States of America and the Polish People's Republic signed at Washington on June 7, 1957 is hereby amended to provide for financing by the Government of the United States of America of additional commodities and ocean transportation, as follows:

| Commodity            | Value<br>(million dollars) |
|----------------------|----------------------------|
| Wheat                | \$25.6                     |
| Cotton               | 17.1                       |
| Ocean transportation | 3.4                        |
| Total                | \$46.1                     |

The provisions of this Agreement are supplemental to and not in replacement of the provisions of the Agreement of June 7, 1957, and all provisions of the Agreement of June 7, 1957, except the table of commodities and amounts specified in Article I thereof, are applicable to this Agreement. Upon the entry into force of this Agreement the sum "\$726,000" specified in paragraph 2(d) of Article III of the Agreement of June 7, 1957 shall be considered deleted, and the sum "\$2,500,000" substituted therefor.

This Agreement shall enter into force upon signature.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed this Agreement.

DONE at Washington in the English and Polish languages this \_\_\_\_\_ 1957.

For the Government of the United States of America

For the Government of the Polish People's Republic

**NOTES RELATING TO NEGOTIATIONS ON AMERICAN PROPERTY CLAIMS**

**U.S. Note**

JUNE 7, 1957

EXCELLENCY: I have the honor to refer to the recent discussions between representatives of the Government of the United States of America and the Government of the Polish People's Republic, on the settlement of American property claims against Poland.

The United States Government is agreeable in principle to the holding of negotiations with the Government of the Polish People's Republic with a view to reaching a lump-sum settlement of claims based upon the nationalization or other taking of American property by the Polish authorities. The United States Government proposes that the settlement include all claims based on the loss of American property, rights and interests affected by nationalization, expropriation, or other similar measures, taken by the Polish authorities.

If the Government of the Polish People's Republic is agreeable to the negotiation of a lump-sum settlement, the United States proposes the commencement of negotiations in Warsaw at an early date to be determined by mutual agreement.

The United States Government proposes the following general procedure:

(1) Prior to beginning the negotiations, the United States Government will examine statements from American claimants describing the nature and basis of their claims and the amounts claimed. The United States Government will thereafter negotiate with Poland a lump-sum settlement. Also subject to negotiation will be the terms of Poland's payment.

(2) The negotiations with Poland would in principle include a joint examination of general categories or groups of related claims and not a case-by-case examination. It is contemplated that, in the interests of both Governments, the Government of the Polish People's Republic would furnish the United States Government with data relative to the damage or destruction caused by acts of war to the physical properties involved.

(3) After a lump-sum settlement has been reached, the United States and its nationals will need the cooperation of Polish authorities in the adjudication of the claims. This cooperation will include the facilitation, under procedures to be agreed upon, of examination by representatives of the United States Government, to the extent possible, of the properties in Poland for which claims are made and the furnishing of copies or extracts of relevant Polish public documents upon request of official representatives, or individual claimants for presentation to the American adjudicating agency.

I shall appreciate receiving your Excellency's confirmation that the Government of the Polish People's Republic is agreeable to the commencement of negotiations upon the foregoing basis.

Accept, Excellency, the assurances of my highest consideration.

THORSTEN V. KALIJARVI  
*Chairman of the United States Delegation*

His Excellency

HENRYK KOTLICKI,  
*Chairman of the Polish Delegation.*

## Polish Note

WASHINGTON, D. C.  
June 7, 1957

EXCELLENCY: I have the honor to acknowledge the receipt of Your Excellency's note dated June 7, 1957, which reads as follows:

[At this point the Polish note repeats the preceding U.S. note.]

In reply, I have the honor to confirm to Your Excellency that the Government of Poland is agreeable to the commencement of negotiations upon the foregoing basis.

Accept, Excellency, the assurances of my highest consideration.

HENRYK KOTLICKI  
*Chairman of the Polish Delegation*

His Excellency

THORSTEN V. KALIJARVI,  
*Chairman of the United States Delegation.*

## STATEMENT BY CHAIRMAN OF POLISH DELEGATION<sup>2</sup>

1. The agricultural products which will be purchased now by Poland in the United States will be used in the following ways:

a) The wheat is to be used for an increase of stockpiles which is necessary in order to stabilize wheat prices on the free market at a level fair to producers and consumers.

An agreement of January 1957 between the Polish United Workers Party and the Polish Peasant Party established that the compulsory deliveries of grain and other agricultural products should be gradually reduced with the objective of their eventual elimination.

In this connection the Polish Government recently made public its decision to reduce in part the compulsory deliveries of grain. This decision will enable the peasants to sell about 700,000 more tons of grain than heretofore at free market prices which are higher than the prices under the compulsory deliveries system. In order to avoid serious problems in meeting consumer needs, the Government must have sufficient stockpiles of grain at its disposal. The purchase of wheat in the United States will be made with this purpose in mind.

b) Cotton and fats are to be used in order to increase the inventories in the factories. Poland had to import every year large quantities of raw materials necessary for industrial production. Because of balance of payments difficulties, inventories of these raw materials are insufficient.

The policy of giving more freedom of decision to individual industrial enterprises makes it necessary to provide these enterprises with larger inventories. It is this policy which has contributed recently to larger imports of iron ore, wool, nonferrous metals, etc., and the Agreement just concluded will enable us to meet, on favorable conditions, the needs of our cotton textile and fat industries, giving them larger inventories of raw materials.

2. The relatively small amount of \$4,000,000 will be allocated to the purchase of mining equipment necessary for our coal mining industry. Poland is interested in buying American investment goods for much larger amounts but these bigger needs could not be satisfied at the present moment.

3. The Agreements just concluded are of great importance for the economic relations between our countries and are a considerable step towards their further development.

4. I am convinced that apart from the economic negotiations which have just been completed, public opinion in both countries received with satisfaction the news that voluntary aid organizations, as for instance CARE and American Relief for Poland, will be able to resume their activities with respect to Poland.

5. The recently published decision of the Polish Government's reducing or abolishing customs duties in Poland for most goods sent in gift parcels from abroad, will greatly facilitate this form of assistance given by Poles living all over the world, especially in the United States, to their relatives in Poland.

## SIGNING CEREMONY

### Remarks by Assistant Secretary Kalijarvi

Press release 348 dated June 7

The documents we have signed and the arrangements entered into between us make a good beginning toward more expanded economic relations between our two countries. I must confess that prior to your arrival there were many questions as to what might be accomplished by our discussions. Given the limited contacts between our two countries over the past several years, there are, of course, a great many subjects of an economic nature that still remain to be discussed and perhaps resolved. Nevertheless, I believe that the arrangements we are completing today are of a substantial nature and can be construed as an expression of the friendship of the people of the United States for the people of Poland. The agreements resulting from our negotiations will be followed with continuing interest by the American people.

For me personally it has been a pleasant experience to deal with you, and I take personal satisfaction in the conclusion of these arrange-

<sup>2</sup> Given to the press on June 7.



ments. I hope they open a new chapter of closer relationships between our two countries.

#### **Remarks by Mr. Kotlicki**

Translation

This heap of documents which we signed a while ago opens up a new period in the Polish-American economic relations.

The actual economic advantages of these agreements are evident. But I wish to express my conviction that the way has been cleared for further broadening of Polish-American economic relations. These first Polish-American agreements

concluded after a 10-year interval are certainly a proof and an element of normalization of economic cooperation in the world. And we know that good and free international commercial relations are the basis for improvement of political atmosphere and for relaxation of political tension, which is the aim and hope of all the nations in the world.

This is how, in a very simple way, I proved to you, Mr. Chairman, what a great international meaning your signature has. Let me shake your hand which has been working so hard recently, and let me tell you that I am convinced we have done a good job.

## **The Paradox of Foreign Economic Policy**

*by Thorsten V. Kalijarvi*

*Assistant Secretary for Economic Affairs<sup>1</sup>*

The subjects on the program and the list of speakers testify to your knowledge that your Government's choice of policies will in part determine your business opportunities abroad. As operating executives from all parts of the country, you have a large stake in the foreign economic policy of the United States.

And yet I wonder how many of you have actually given careful attention to how that policy is formulated and how many competing forces it must reconcile.

#### **The Changing Nature of Contemporary Foreign Policy**

Though foreign policy has existed since nations began, it has rarely penetrated the consciousness of the ordinary man and woman except in times of crisis and violence. Even in war-

time the homespun life of people has gone on much as usual while policy issues have been settled by armored knights or by professional armies and navies. In peacetime the average person has all too often thought of foreign policy as a remote sphere of rarefied politics for kings, presidents, and other high officials.

Perhaps in the world of yesterday there was justification for this concept, but in the mid-twentieth century the situation is radically different. Suddenly man can communicate and travel with ease and rapidity between any given spots on the planet. New means of warfare place in deadly jeopardy, not knights and professional armies, but men, women, and children in their homes—entire populations—perhaps even all life. Science and technology are pouring out a steadily mounting flood of new products that can find maximum outlet only in trade between peoples. The less developed regions see visions and demand a new life with all its implications of capital investment, technical education, expanded

<sup>1</sup>Address made before the International Management Association at New York, N. Y., on May 23 (press release 309 dated May 22).

communications, and a thousand and one other things which only the more industrialized nations can supply.

Political frontiers are being transcended, and a new content is being injected into foreign policy. In this atomic age foreign policy is a changing, complex business. When peoples are interdependent and when one false move can mean oblivion, no nation can safely develop its own pattern of life in political or economic isolation. Cooperation is essential.

Nations now recognize that international relations have outgrown their formal legalistic framework and have spread over wide areas of normal living. As a part of this maturing of international relations, it is axiomatic that a sound international economy is essential for the free world. The free world knows that it needs a strong economic base for its military defense system and for its democratic institutions. Foreign policy is no longer confined to international political maneuvering. It concerns itself with economics, which deals with how people live. That is why among other things alliances have been supplemented with trade, finance, and programs of development.

### **The Paradox of Foreign Economic Policy**

Foreign economic policy is especially important to the United States because it is an integral part of our general foreign policy. It is indistinguishable from other foreign policy in that it seeks to enhance the security and well-being of the American people in an unsettled and dangerous world.

And yet foreign economic policy is something else, too. It is an extension into the field of international relations of our own domestic economic activities. As in domestic affairs, conflicts occur between interests. Conflicts may also develop between short-term and long-term objectives. In domestic affairs, these conflicts as a rule are resolved by the forces of the free market. But because foreign economic policy involves dealings with other governments, our Government must play a more conspicuous role than it does in the domestic economy. The interplay of all these forces gives foreign economic policy its paradoxical appearance.

### **Illustrative Cases**

The paradox takes many forms. The Government, for example, must buy expensive equipment.

But when it buys such equipment from a foreign source, many people regard this as unfortunate. There are those who urgently advocate the "Buy American" principle for Government procurement. It is obvious why a domestic producer of a particular piece of equipment should want the business. Nor is it difficult to understand why his employees hold similar views. If, in such instances, the American producer is not given preference over the foreigner, it looks as if our foreign economic policy is in conflict with our domestic interests.

If this were all there were to the problem, the conclusion might be correct. We might have an actual conflict, not merely a paradox. But there are other factors. If the United States Government were to limit all its purchases to domestic producers, the cost of government would go up. So the question is not one of conflict between domestic and foreign policy but between a particular domestic producer and the taxpayers at large.

We are all consumers and, as such, are interested in the widest selection of goods at the lowest prices. This is the essence of one of our basic freedoms in the economic field—the freedom of choice. Imports add to our real wealth and provide competition and variety. At the same time, as with all competition—internal or external—imports may cause difficulties for the domestic industry producing similar products. Let me illustrate.

Take the problem of tuna fish, where the fisheries segment of the industry prefers that tuna imports be kept to a minimum in order to secure better prices. On the other hand, the tuna canners welcome imports in order to obtain lower costs and a more favorable position in competition with other high-protein foods. The rapid rise in tuna consumption in the United States has occurred because of supplies and prices made possible by imports.

Then there is the export side, which should not be forgotten. Japan, the source of most of our tuna imports, is a major purchaser of United States farm products, and we have sizeable agricultural surpluses we want to sell abroad. Moreover, Japan is one of our best customers in the world. And, of course, our own national security is bound up with the strength of the Japanese economy.

Or take the even more complicated problem of oil imports, which present another set of compet-



ing considerations. Entirely aside from our relations with other oil-producing countries, there are a number of domestic conflicts to be noted. For example, our own oil industry is split between the companies that want to import foreign crude oil and those domestic producer groups that claim imports are depressing the market and retarding the rate of discovery of new reserves. There is also wide disagreement over the national security aspect of oil imports. Is it better from the standpoint of national defense to depend almost exclusively on domestic crude oil, or is it better to conserve domestic supplies for a national emergency and rely in the meantime on an increasing volume of imports?

### Interagency Committees

These are typical trade problems with which the United States Government must deal. Frequently the President must make the ultimate decision in the light of all the facts. To bring to bear all the various considerations that must be taken into account in our foreign economic policy, there has been established an elaborate structure of interagency committees.

When I say "elaborate" I speak with some feeling, for one of the principal functions of the Bureau of Economic Affairs is to participate, on behalf of the Department of State, in over 75 such committees where the never-ending search for the public interest goes on every working day in the year.

As management experts, you may be interested in the operation of one of these interagency committees. The Trade Agreements Committee (TAC) is charged with making recommendations to the President regarding his use of the authority to reduce tariffs under the Trade Agreements Act. This means making recommendations to the President as to offers and requests which the United States should make in tariff negotiations.

The committee includes representatives of the Departments of State, Commerce, Agriculture, Defense, Labor, Interior, and Treasury, the Tariff Commission, and the International Cooperation Administration. Each representative is responsible for making certain that the committee as a whole is aware of those problems in which his agency has a special interest. During the discussion of a tariff negotiation, for example, the Department of Labor representative may bring up

the question of unemployment in a certain area, while the Interior representative may discuss the problem from the standpoint of natural-resource development. Thus the recommendation of the Trade Agreements Committee is balanced, and relevant factors are taken into consideration in determining the public interest.

I shall not go into the other steps on the domestic side of the tariff negotiation process, which includes public hearings and so on. I think you have some idea of the complexity of the problems and the thoroughness with which all the many facets are examined.

The Bureau of Economic Affairs is, of course, not the only part of the Department that deals with economic matters. They permeate all foreign relations, and the geographical desks could not avoid these matters if they wished. What our bureau does is to *coordinate* foreign economic policies for the Department, *advise* on the complex technical subject matter, *represent the United States* in certain types of negotiations, and, as I have said, *represent the Department* in the constant efforts to reconcile domestic and foreign policy considerations in the development of foreign economic policy.

Our bureau has specialists on trade agreements and tariffs, international business practices, commodities that are important in world trade (such as petroleum, wheat, cotton, and so on), the control of East-West trade, international financial problems, economic development, aviation, shipping, and telecommunications.

### The Case of International Civil Aviation Policy

Let us now consider in greater detail exactly how a specific problem arose, how it was dealt with, and how it continues to require attention. The problem is our international civil aviation policy.

The international civil aviation policy of the United States is designed to obtain traffic rights at all major points in the world for this country and its carriers and to assure that these rights may be exercised in an orderly, efficient manner. Of course, the United States must offer reciprocal advantages for the privileges it obtains, and since World War II our Government has negotiated 48 air-transport agreements in which international routes have been exchanged and liberal principles in their operation have been adopted.

Most of these agreements were negotiated when commercial aviation was relatively underdeveloped and when the question of route exchanges did not assume too great importance. International civil aviation was a convenience, almost a luxury, which only a few countries could afford. So the United States, which was prepared to expand its airline system, proceeded to do so at a rapid rate, unhampered by effective foreign competition and by foreign restrictions. This expansion was stimulated by U.S. subsidies reaching hundreds of millions of dollars.

As foreign nations recovered from the war, however, they took a new interest in international aviation and foreign airlines appeared increasingly on international routes. This progress was greatly facilitated by the enterprise of United States aircraft manufacturers, who had developed aircraft to meet modern needs, who created foreign markets for these aircraft in a highly competitive field, and who assisted technically in getting the foreign airlines into the air. Thus greater competitive pressure was imposed on our airlines and a higher premium was placed on United States air rights abroad.

One of the greatest paradoxes in our international aviation relations is the fact that the United States airlines are engaged in international services which are almost entirely dependent upon international air-transport agreements—yet these same airlines are often the strongest source of opposition to the conclusion of such agreements. The continued existence, let alone growth and development, of the United States air-transport services depends upon rights obtained by our Government through air-transport negotiations with other governments. Yet United States air-transport companies continue to oppose new agreements or the amendment of existing agreements which grant rights for operation by a foreign airline.

Now it is noteworthy that despite the added competition of foreign airlines United States airlines in 1955 obtained \$225 million in passenger revenue from international services. In this same year all the foreign airlines serving the United States obtained only \$119 million revenue from this service. A nongovernmental publication has indicated that 65 percent of all the international traffic to and from the United States in 1956 was carried by United States carriers.

It does not always serve the interests of United States aviation itself to negotiate in terms of commercial *quid pro quo*. A strict application of that principle would force American carriers to limit the level of their services throughout the world to that of the foreign carriers. If we want to continue aviation relations with other countries, we cannot prevent foreign carriers from serving major population centers in the United States just because their countries do not have points of equal traffic-generating importance. It is the exploitation of the routes that counts in the long run, and our own carriers have been eminently successful in this in almost all instances. The basic advantages to the United States airlines in obtaining the type of agreements that have been negotiated have in large part made this possible. Restrictions only lead to counterrestrictions. Other elements of international relations and foreign economic policy must on occasion be taken into account in deciding what is an equitable route exchange.

Another problem that the Government faces is that our domestic interests do not always agree with one another. In obtaining international rights beneficial to one carrier, it frequently occurs that the United States must grant rights prejudicial to another. Generally speaking, the United States airline industry is opposed to the granting of additional rights to foreign operators, but the aircraft manufacturing industry has considerable sums at stake in the foreign airline market and wants to see this market encouraged. Besides, United States communities welcome and seek proposed international services by foreign airlines.

If our aviation policy were to embrace protectionism at home and restrictionism toward foreign operators, the United States could no longer hold the line abroad. United States policy must take into account the effect it will have on the policies of foreign nations and the retaliatory measures it may produce.

Two air-transport agreements recently negotiated by the United States have drawn wide comment. Two years ago negotiations were undertaken with Germany,<sup>2</sup> in which the United States delegation was severely criticized for being too generous in the granting of routes to the Germans. Experience has proved the agreement to

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<sup>2</sup> For text of agreement, see BULLETIN of July 25, 1955, p. 145.



be a good one, and in fact the United States airlines have so far enjoyed 13 times more business over the routes exchanged than the German airline, Lufthansa.

Another controversial agreement was very recently concluded with the Netherlands.<sup>3</sup> This negotiation was peculiarly illustrative of the conflict of interests that may develop in aviation relations. Both countries had for some time operated reciprocal routes under temporary arrangements. Since the United States airlines felt that the Netherlands did not have much to offer beyond the rights already enjoyed, they were firmly opposed to the granting of additional routes to the Dutch. This view was shared by the pertinent committees of the Congress. In contrast, the United States communities to which the Dutch proposed services were eager to have the routes granted and besieged the Department with letters, telegrams, and personal calls in support of the Dutch requests. In addition, the views of American aircraft manufacturers had to be noted. The Dutch airline, KLM, is the largest foreign purchaser of United States civil aeronautical equipment and now has over \$100 million worth on order.

The Dutch wanted extensive additions to their operating rights to the United States. The Dutch contention was that KLM is one of the Netherlands' biggest industries, that it provides necessary foreign exchange to the Netherlands, and that it is a symbol of Dutch internationalism and initiative. KLM must be able to expand to enhance the Dutch economy and to assist the nation to maintain its position in international affairs.

It was up to the Executive to determine what decision would be in the best overall national interest. Whatever decision was made would have its critics. Finally it was decided the Dutch should have some of their request but not all. This enabled the United States to obtain the type of agreement it desired and air rights beyond Amsterdam. But the Dutch were not fully satisfied. The United States airlines called the agreement a "give away" and claimed that they were being made to pay for interests outside the aviation field. Bills have been introduced in Congress designed to limit the Department's negotiating powers in aviation agreements. The commu-

nity to which a route was not granted to the Dutch, on the other hand, complained vigorously and one of its newspapers carried an editorial attacking the State Department for the omission.

The Department is convinced that it obtained the most favorable agreement possible, both in the light of foreign economic policy and aviation policy.

### Conclusion

The examples I have given can be multiplied many, many times, but enough has been said to make the problem clear. Foreign policy has come to concern itself more and more with economics. Given the complexity of foreign economic policy, it is not surprising that occasionally some individual or industry may feel that it is being sacrificed in the overall national interest. I can assure you that the President has said that no United States industry is expendable; and the agencies in Washington operate on that principle. It is not that sound foreign relations and a prosperous domestic economy are in conflict with each other—for they are not really so—but rather that the subject is highly complex and paradoxical at the point of merging traffic. A high degree of dexterity is called for. Nevertheless there are times when collisions and uncertainties over the right-of-way occur.

The next time one of these collisions comes to your attention, I hope that you will appreciate that, in all likelihood, there is much more to it than immediately meets the eye.

### Letters of Credence

#### *Dominican Republic*

The newly appointed Ambassador of the Dominican Republic, Manuel de Moya Alonzo, presented his credentials to President Eisenhower on June 3. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 335.

#### *Japan*

The newly appointed Ambassador of Japan, Koichiro Asakai, presented his credentials to President Eisenhower on June 4. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 339.

<sup>3</sup> For text, see *ibid.*, May 6, 1957, p. 746.

## Inter-American Committee Completes Work

*Following is the text of a statement made by President Eisenhower concerning the report of the Inter-American Committee of Presidential Representatives, published on May 25, together with a Committee announcement made on May 8 at the conclusion of its final meeting.*

### STATEMENT BY PRESIDENT EISENHOWER

White House press release for papers of May 26

I have read with great interest the 27 recommendations contained in the report of the Inter-American Committee of Presidential Representatives and have discussed them personally with my brother, Dr. Milton Eisenhower, who served as chairman of that Committee.

I wish to express my gratitude to the Representatives of each Chief of State who served on the Committee. I believe that they have made excellent progress toward the goal which was originally set for the Committee—making the Organization of American States a more effective instrument in those fields of cooperative effort affecting the welfare of the individual. I hope that many of the recommendations will be put into effect as promptly as possible.

These recommendations cover a wide field of endeavor, including economic, social, and technical matters.

I am particularly impressed by the program for eradicating malaria from the Western Hemisphere within 5 years and by the proposal to establish an Inter-American Nuclear Energy Commission to further the peaceful uses of atomic energy.

The considerable expansion planned for the activities of the Inter-American Institute of Agricultural Sciences should prove of great long-range benefit to the peoples of America. The great increase in the number of scholarships for the youth of our various countries should result in wider educational opportunities and in improved international understanding.

A number of the recommendations call for specific action by the Organization of American States. I have given instructions to the appropriate officials of the administration to see that the proper steps are taken, through United States rep-

resentatives in the Organization of American States, to support these recommendations.

### COMMITTEE ANNOUNCEMENT

The Inter-American Committee of Presidential Representatives announced on May 8 that on that day it had celebrated the completion of its work with a ceremony in the Hall of the Americas of the Pan American Union.<sup>1</sup> There the 21 Representatives completed signature of the letters which will transmit to their respective Chiefs of State the Committee's recommendations for strengthening the Organization of American States.

This Committee was appointed as a result of the proposal made by President Eisenhower in July 1956 at the meeting of the Presidents of the American Republics held in Panama. President Eisenhower proposed at that time to the other Presidents<sup>2</sup> that

... each ... name a special representative to join in preparing ... concrete recommendations for making ... [the] Organization of American States a more effective instrument in those fields of cooperative effort that affect the welfare of our peoples. To those representatives we could look for practical suggestions in the economic, financial, social, and technical fields which our Organization might appropriately adopt. As one useful avenue of effort, they could give early thought to ways in which we could hasten the beneficial use of nuclear forces throughout the hemisphere, both in industry and in combating disease.

The Committee convened in Washington, D. C., on September 17, 1956, at which time Milton S. Eisenhower, Representative of the President of the United States, was elected chairman and José Isaac Fábrega, Representative of the President of Panama, vice chairman.<sup>3</sup> At that time a preliminary list of topics was discussed. The Committee held two further meetings, one in January during which a definitive agenda was adopted,<sup>4</sup> and its last, which commenced on April 29, 1957, and has now terminated.

<sup>1</sup> For a Department announcement, see press release 277 dated May 8 (not printed).

<sup>2</sup> BULLETIN of Aug. 6, 1956, p. 219.

<sup>3</sup> For a statement by Milton S. Eisenhower and a communique issued at the close of the meeting, see *ibid.*, Oct. 1, 1956, p. 511.

<sup>4</sup> For an announcement regarding four subcommittees established at this meeting, see *ibid.*, Mar. 25, 1957, p. 479.



The deliberations have been held in an informal atmosphere and have been characterized by a spirit of frankness and good will. While the Representatives have emphasized the mutual advantages that would result from solutions of the problems discussed, they have likewise recognized that Pan American organizations cannot relieve the member states of the primary responsibility of finding those solutions.

The report of the Committee consists of an introduction, a summary of the recommendations, brief sections on specific programs and suggested actions with respect thereto, and a budgetary summary.

In the economic and financial field the Committee has recommended:

a) Strengthening and broadening the activities of the Organization of American States in the field of agriculture, including the expansion of the work of the Inter-American Institute of Agricultural Sciences.

b) Expansion of the services to member states on industrialization and industrial statistics.

c) Consideration of the possibility of establishing an institute to study the utilization of tropical raw materials and of an inter-American center for technical research and training in the field of transportation.

d) Preparation of a plan by the 7th Pan American Highway Congress for studies regarding the construction and financing of that portion of the Pan American Highway known as "Tapón del Darién."

e) Further study by the Organization and the Economic Conference scheduled to be held in Buenos Aires in 1957 of the problem relating to the financing of economic and social development in the hemisphere. In this connection the Latin American Representatives felt that there is a need for the establishment of an inter-American institution for this purpose. They held that existing international financial organizations are insufficient. The Representative of the United States maintained that the resources still uncommitted by existing public lending institutions are adequate to meet effective demand and that more progress could be achieved by their utilization than by the establishment of new credit institutions.

f) Creation of an inter-American technical agency to assist, when requested, in the study of "bankable" projects for economic development.

g) Elimination of tax and other obstacles to the movement of private capital.

h) A meeting of high-level governmental experts to study the main aspects of the international trade of the American Republics and to make recommendations as to the manner in which such trade might be expanded.

i) Further analysis by the Inter-American Economic and Social Council of the factors which determine maritime and river freight rates in inter-American trade with a view to obtaining the lowest possible freight rates consistent with adequate service.

j) Expansion of the statistical services of the Pan American Union.

k) Consideration by the Economic Conference of the Organization of American States of problems related to foreign exchange.

l) Periodic meetings of high-level government economic experts.

In the field of public health and social security the Committee has recommended:

a) Support for the program for the total eradication of malaria in the Americas planned by the Pan American Sanitary Bureau.

b) Support of programs of the Pan American Sanitary Bureau for control and eradication of communicable diseases, and support for the activities on nutrition carried out in the Americas by the several international organizations concerned with the problem.

c) Support and expansion of the Inter-American Housing Center.

d) Studies by the Inter-American Economic and Social Council that were requested in resolution XXXVI of the Tenth Inter-American Conference, and in resolutions of other inter-American meetings, on the effect that the creation of a Private Inter-American Bank for the Promotion of Housing of Social Interest would have on a coordinated solution of the hemisphere's problem of housing of social interest.

e) Strengthening of the activities of the Organization of American States in the field of social security.

In the education and technical cooperation fields the following recommendations have been made:

a) An increase in national efforts to combat illiteracy and in the information and publication services of the Organization in education, with a

periodic evaluation of the effectiveness of these services.

b) Initiation of a regular program of 500 scholarships, independent and apart from those at present offered by the Governments and the Organization of American States.

c) Broadening and giving greater flexibility to the program of technical cooperation of the Organization of American States.

d) Increase of direct technical assistance to member states by the general secretariat of the Organization of American States.

The application of nuclear energy to peaceful purposes was deemed to be of particular importance by the Committee, which has recommended that there be established an Inter-American Nuclear Energy Commission which would serve as a center of consultation on matters relating to that subject, would lend assistance to the American Republics in the development of a coordinated plan of research and training in nuclear matters, promote the coordination and augmentation of the national programs on nuclear energy to meet the needs of the inter-American community, and might later study the advisability of the creation of a specialized organization of the Organization of American States that might, in the future, replace it. The Committee has further recommended that the Pan American Sanitary Bureau encourage the use of radioisotopes in medical practice and draw up regulations for their safe handling.

In the field of public relations, the Committee has suggested the review and, if called for, the strengthening of the public relations activities of the Organization of American States and the establishment not only of local offices in all the American Republics but also of national committees for the Organization of American States.

In considering organizational affairs the Committee has recommended a strengthening of the Inter-American Economic and Social Council, realignment of its work to permit greater attention to trade in basic products, to the movement of private capital, to transportation, and to social security. The Committee likewise recommended that the services of the Department of Economic and Social Affairs of the Pan American Union, which serves as the secretariat of the aforementioned Council, be expanded and improved.

If all recommendations of the Committee are implemented, the budgets of the Organization of

American States and its specialized agencies would be increased by about \$3,400,000 a year. In addition, special (nonrecurring) costs would amount to about \$21,700,000.

The largest annual budgetary increases would be for promoting the peaceful uses of atomic energy, agricultural research and services, continuing and improving the program of the Inter-American Housing Center, furnishing technical assistance in the field of education, establishing a new inter-American scholarship program, and increasing the continent-wide program of information about the activities of the Organization of American States.

The special (nonrecurring) expenditures would be for the installation of equipment, for studies which can be completed in 1 or 2 years, for buildings at the Inter-American Institute of Agricultural Sciences, and for a continental program to eliminate malaria in 5 years.

The total cost of eradicating malaria in the Americas over the 5-year period is estimated at \$144,406,370. Subtracting from this the amounts to be paid by countries outside the hemisphere and the large amounts already appropriated or to be financed by the countries in which malaria exists leaves about \$20,600,000 in additional international funds which the Pan American Sanitary Organization will require for its work. The Committee believes that a portion of this cost might be met by other international organizations; so the amount which would be required of the members of the Organization of American States has not presently been determined.

With transmittal of the report to the Chiefs of State of the American Republics, the Inter-American Committee of Presidential Representatives was automatically dissolved.

The complete text of the report will not be published until May 25, 1957, in order to provide each Chief of State an opportunity to receive and study it, and to issue it with such comments as he may care to make.

The Representatives of the Committee have expressed their conviction that their recommendations, if carried out, will intensify the cooperation among the nations of this hemisphere. They believe further that this will bring forth not only practical advantages to the peoples of all America in their search for better conditions of life but will also strengthen the spiritual foundations of the American community of nations.



# The Department of State and the U.S. Merchant Marine

by Robert C. Hill

*Assistant Secretary for Congressional Relations*<sup>1</sup>

In celebrating Maritime Day throughout the United States, we are not only paying tribute to our merchant marine, the largest in the world; we are not only calling attention to the fact that it earned \$2.8 billion for the national economy in 1956 in helping to move abroad \$23 billion in American goods and services and in assuring the import of materials and products necessary to our record peacetime prosperity. We are also recalling that shipping is a great American tradition.

It was not by accident that the first American-built vessel was launched in the same year as the founding of Jamestown. As you all know, we are now celebrating the 350th anniversary of Jamestown. Our virgin forests and fine natural harbors assured a booming production and use of American flag ships from colonial days, when our struggling Nation was largely dependent upon shipping its products and importing manufactured goods.

Shortly after we attained our independence came the Napoleonic wars, with consequent high freight rates, destruction of the merchant tonnage of other nations, and booming neutral trade. This assured us a mighty merchant marine. By 1815, the label "U.S. built," which usually meant New England built, assured a premium in setting the value of vessels for sale.

Those beautiful vessels known as the clipper ships set world records for the expeditious and safe delivery of cargo, and Yankee seamanship and ingenuity were esteemed by maritime nations the world around. Just before the Civil War United States bottoms carried no less than 90 percent of United States commerce.

You are all aware of the sad story of what happened thereafter. You know that the Civil War destroyed 110,000 gross tons of private shipping

and that panicky shipowners sold another 752,000 abroad, cutting our merchant marine in half. At first we could not compete on iron hulls and steam. From 1900 to 1905 only 9.9 percent of American cargoes were carried in United States bottoms.

That the American flag flies over the biggest merchant fleet in the world once again is primarily the result of two factors: its enormous, amazing, and forced expansion during World War II and our determination, as a national need and because of the strained world situation, to keep it that way. We must be assured of our own bottoms to make certain that under any circumstances we can import what we need and export our products, upon which the survival and betterment of much of the free world depend.

## **Declaration on U.S. Maritime Policy**

Congress is to be congratulated, in my opinion, for its deep concern with keeping the American flag paramount on the seas. The Merchant Marine Act of 1936 remains the declared maritime policy of the United States, and Congress has done everything in its power to implement its declaration that:

It is necessary for the national defense and development of its foreign and domestic commerce that the United States shall have a merchant marine (a) sufficient to carry its domestic water-borne commerce and a substantial portion of the water-borne export and import foreign commerce of the United States and to provide shipping service on all routes essential for maintaining the flow of such domestic and foreign water-borne commerce at all times, (b) capable of serving as a naval and military auxiliary in time of war or national emergency, (c) owned and operated under the United States flag by citizens of the United States insofar as may be practicable, and (d) composed of the best-equipped, safest, and most suitable types of vessels, constructed in the United States and manned with a trained and efficient citizen personnel.

My own interest in this is a heartfelt one. As a youngster, one of my first jobs was that of a laborer

<sup>1</sup>Address made at the Maritime Day dinner of the Maritime Association of the Greater Boston Chamber of Commerce at Boston, Mass., on May 22 (press release 304 dated May 21).

working on the first Liberty ships at the Todd-Bath Shipbuilding Corporation at South Portland, Maine. Later I became an Assistant Vice President of W. R. Grace and Company, which operates the Grace Lines. As you can see, shipping is in my blood.

Today I can state to you in this regard that the United States has insisted upon the maintenance in foreign affairs of two primary policies—that the greatest freedom of movement be accorded its vessels and that its flag have equal opportunity in, and access to, all ports of the world. This represents the basis of United States shipping policy. It is a result of historical growth and experience, having its roots in our earliest history as a nation.

Secretary Dulles has asked me today to extend to you, as representatives of our great fleet of ships today sailing the seven seas and discharging cargoes in ports of every continent, his warmest greetings. He has requested me to thank you for your voluntary cooperation during the Suez crisis. He has asked me to commend the industry for the complex and difficult task it has performed of getting essential oil to Great Britain and Europe while the Suez Canal, intended to serve always as a great international waterway for use of all nations, has been blocked.

In the period between November 1, 1956, and May 8 this year, a total of 93,300,000 barrels of oil, of which 51,300,000 were crude oil, were carried to Europe. This represented almost exactly the 500,000 barrels a day planned and was a tremendous achievement. In this our tanker fleet played its full part.

May I add that we in your Government are all proud of the almost unnoticed part you have played in making certain that Europe was not crippled by the temporary cutting off of oil from the Middle East, where two-thirds of the free world's oil reserves are located. International communism was struck a bitter blow when you proved that you could rise to the occasion and move enough of the deficit to save the situation.

#### **Role of Department of State**

Because some of you are not aware of it, or have been inclined to be critical, I should like to tell you of the role of the Department of State today in maritime matters of concern to you. The different functions in the Federal Government with regard to shipping are reasonably clear.

The Maritime Commission is primarily concerned with the interests of domestic shipping companies, builders, and the labor organizations; the Defense Department with the security and military defense aspects of shipping; and the Treasury Department, through the Coast Guard, is interested in the design and construction of ships, their safety, and the enforcement of United States regulations.

Only the Department of State is qualified properly to assess the foreign policy implications of proposals regarding maritime shipping. And only the Department of State has the authority to consider or recommend proposed action on grounds of foreign policy. Its Shipping Division performs the valuable function of contributing to this decision-making process.

The responsibility for reconciling domestic and international conflicts of interest must be properly discharged to the end that both the merchant marine and United States foreign policy are benefited. State's Shipping Division, for instance, performs important functions with regard to legislation requiring that at least 50 percent of Government-generated cargoes must be carried on American flag ships. It has had to explain to the world that this applies only to lend-lease, mutual aid, and other United States Government—and not to commercial—cargoes. The Department of State is now thoroughly behind this 50-50 policy. You will recall that the Department at first opposed enactment of S. 3233, a bill which ultimately became P. L. 664. But in 1956, during hearings on S. 2584 on shipment of P. L. 480 (surplus disposal) cargoes, the Department altered its position. It did so after it had become clear that an element of the merchant marine, particularly tramp shipping, could not survive without the 50-50 policy.

It is fairly apparent now that the effect upon world shipping of this policy is very small indeed, and I assure you that the Department is not only formally, but vigorously, behind this policy.

#### **Efforts To Eliminate Discrimination**

The Department of State, moreover, is working actively, day by day, to eliminate discrimination against shipping. Our files reveal that we have, in recent years, worked on bases of discrimination in no less than 41 countries.

These discriminations have fallen into three gen-



eral types: preferential treatment in ports, exchange controls, and bilateral trade agreements specifying that cargo shipments be made in ships of the two countries involved to the exclusion of United States and other third-country ships. Of these, preferential treatment in ports represents the most direct type.

This category includes higher port dues and charges for pilotage, berthing, and light dues and preferential berthing and use of storage and handling facilities. Many less-developed countries, seeking to create their own merchant marines, have neglected to expand their port facilities adequately. Local pressures sometimes, therefore, cause national ships to be berthed, bunkered, and cargoes first.

The Department of State, through its representatives abroad, seeks constantly to eliminate such discriminations as discriminatory exchange controls and to encourage measures designed to facilitate the free flow of goods and of international payments.

The Department also feels that restrictive cabotage regulations are undesirable, such as those which include farflung colonies in the domestic trade of a country and require landing in the mother country of goods for transshipment in national bottoms.

United States foreign economic policy is concerned with the elimination of discriminations because of their adverse economic effects. Discriminations provoke reprisal and retaliation. Discriminations usually result in the uneconomic employment of the factors of production, leading to overcapacity in the world shipping market, diversion of traffic from low- to high-cost shipping, and interference with the world level of freight rates normally established by the law of supply and demand. They thus increase restraints on international trade.

Not only has State's Shipping Division been active, making effective representations and setting forth the United States position in many specific cases, but it has participated in the extension of FCN [friendship, commerce, and navigation] treaties providing for reciprocal most-favored-nation treatment. A persuasive device exists in the Department's ability to recommend that waivers under Public Resolution 17 [73d Congress] be refused to a discriminating country until such time as discriminations are removed. We have tried to correct situations without resort to

direct reprisals or measures of retaliation because of the wider considerations always involved, and we have been criticized by the industry for this. The fact that we could do so if necessary is known abroad, however. Because of vital political considerations and the extensive system of cooperation with our allies, the Department of State prefers to utilize diplomatic negotiation as a method of remedy. This has often achieved more satisfactory results than reprisals could.

What I do want to emphasize to my friends of the industry is that today the Department of State is thoroughly aware of your problems and that they are not being submerged in a mass of other matters with which the Department must deal on a day-to-day basis.

Let me note in this connection that the Department of State participates in conferences or meetings, coordinates United States positions, instructs United States delegations, or closely follows the work of some 15 international organizations active in world maritime shipping matters.

### **Importance of Maritime Shipping**

In a world where economic development, trade, and full employment are pressing requirements for political stability and, thus, for checking the attempts of international communism to obtain world sway, maritime shipping will continue to be a vital interest of all governments.

I say bluntly that the United States intends to maintain its place in world maritime activity and that it will take its full share of responsibility for the increased cooperation, freedom of choice, and economic health of the United States shipping industry. The Department of State will continue to play its role in this, well aware that the freedom of movement of cargoes and an enlightened economic policy are essential to survival of the free world.

Our great superiority, with our reserve shipping, over twelfth-place Soviet Russia in merchant shipping gives us a tremendous advantage in the worldwide struggle between the free-enterprise system and international communism. For our shipping provides an important trade link between the free nations of the world on a day-to-day basis which the Soviets cannot hope to meet. This, I feel, is well worth stressing on this day when we pay tribute to our merchant fleet and its officers and men. It is more important today than ever to keep our merchant marine strong.

## Proposed Legislation for Payment to Denmark in Connection With Ships Requisitioned in World War II

*Statement by Under Secretary Herter<sup>1</sup>*

I am indeed pleased that the committee is considering the draft legislation to authorize an *ex gratia* payment in connection with the requisitioning by the United States of 40 Danish ships in 1941. This matter has been under discussion between the Governments of the United States and Denmark during most of the intervening years, and it would be in the interest of the United States foreign relations to dispose of the matter finally by making the payment which is being proposed.

It is clear that under United States domestic law the Danes have no right to further compensation. It is also clear to us that Danish authorities consider that Danish rights under international law will remain outstanding if the proposed payment is not effected and that the Danish Government will in all probability request the United States Government to submit the case to an international tribunal. Submission of the case to an international tribunal if the decision were adverse might well result in a much greater cost to the United States than the amount now put forward.

As the committee is no doubt aware from the material accompanying the draft legislation, the factual background to the payment which the bill would authorize is as follows:

Shortly after the enactment of Public Law 101, 77th Congress, the United States Government, with the concurrence of the then Danish Minister to the United States, requisitioned 40 privately owned Danish vessels in the interest of the national defense. At the time of the requisitioning, these vessels with one or two exceptions were, and for some time had been, in United States ports, and it was the desire of the United States Govern-

ment to see them returned to productive use in international commerce, especially in view of the heavy requirements for shipping which the war in Europe had brought about. Despite the expectation of the shipowners, expressed by the Danish Minister in his note concurring in the requisitioning of the ships, that the ships be taken for use and returned to their owners at the end of the war, the national interest of the United States required that they be taken for title. Public Law 17, 78th Congress, which was enacted with the Danish ships in mind, provided authority, however, for the retroactive conversion of the taking for title to a taking for use.

At the end of the war the owners of 35 of the vessels negotiated settlement contracts with the United States Government. Most of the payments due under these contracts were made to the Danish owners in 1946 and 1947. The Danes failed to collect any further amounts in the ensuing 4 years, however, and in 1951 filed suits in the Court of Claims. In 1956 settlements negotiated between the United States and the owners were incorporated into stipulated judgments of the court, which in effect provided for full performance by the United States of the settlement contracts, including compensation for breach of the contracts at the rate of 3 percent per annum as specified in the contracts.

The owners of the remaining 5 ships had no vessels afloat at the end of the war and were not under the same economic pressures as the owners of the 35 ships, who sought the return of their vessels in order to put them to use in the postwar trade. After protracted negotiations with the United States Government which ended in the failure to reach agreement, the owners of the 5 ships in 1947 brought suit in the Court of Claims to

<sup>1</sup> Made before the House Committee on Foreign Affairs on May 21 (press release 306).



obtain compensation for the taking of their ships. Stipulated judgments in 1952 were entered by the court in these cases as the result of a compromise settlement.

The Danish Government since the time of the requisitioning of the ships has steadfastly maintained that the owners were due compensation equal to that which American owners were entitled to for their vessels taken for use. The Danish Government has indicated that it, as well as the owners, would have been content if the contracts had been performed promptly, but full performance was not forthcoming. Therefore, once the judgments in the Court of Claims cases relating to the 35 ships had been rendered in February 1956, the Danish Ambassador renewed his request for further payment over and above that specified in the settlement contracts and the stipulated judgments relating to the 5 ships. In subsequent discussions a compromise figure was reached which the Danish Government has indicated would be acceptable to it. That figure is the one set forth in the bill, namely, \$5,296,302.

Against this historical background, let us examine the basis of the proposed payment. Considerations of equity in the foreign relations of the United States led the executive branch, upon receiving the Danish request for further payment, to consider an approach to the Congress to seek a payment which when added to the amounts already paid would reflect the principle advanced by the Danish authorities, and in fact consistently maintained by them throughout the history of this matter, namely, compensation on the basis of that to which American owners were entitled for their vessels taken for use during World War II.

The willingness of the U.S. to participate in discussions of the problem on the aforementioned basis is best explained by examining its two key elements, namely, equal treatment and compensation for use, to determine why we consider the Danish views in this respect are reasonable. This requires some further recital of the historical facts in the case.

### Equal Treatment

Regarding the first key element, equal or national treatment for the owners, representatives of the Danish Government have consistently maintained that at the time the ships were requisitioned by the United States it was understood by the Danish Minister and the Department of State

that Danish owners would receive such treatment. The files of the Department of State do not appear to contain any written record of such an understanding, but the historical record is such as to support the Danish Government's belief.

The legislative history of Public Law 101, 77th Congress, lends support to the belief. Senator [Josiah W.] Bailey in explaining the provisions of the measure to the Senate stated:

. . . It is extraordinary in the history of nations—it is, I think, without precedent in the history of this nation—that being at peace, we should undertake to requisition or take title to ships of other nations with which we are at peace, lying in our ports.<sup>2</sup>

. . . I do not think we would be expected to pay more to others than we pay to our own citizens, but I do think that we would be expected to pay to others what we pay to our own citizens. So in that respect the whole moral phase of the matter of compensation is accounted for, except possibly in one respect.<sup>3</sup>

The other respect referred to was Senator Bailey's concern that the ships be returned at the end of the war.

In the year following the requisitioning of the ships, discussions took place between the representatives of the ship owners and the executive branch relating to arrangements for compensating for the use of the vessels. While the discussions were in progress, the President's approval of the equal-treatment principle was sought and received. The principal obstacle to concluding agreements for payment for the vessels on a charter-hire basis was the fact that the vessels had been requisitioned for title.

An amendment to Public Law 101 accordingly was proposed to the Congress and eventually was incorporated in the measure which was enacted as Public Law 17, 75th Congress. This amendment authorized, in effect, the retroactive conversion of the requisitions for title to requisitions for use. In discussing this measure on the floor of the Senate, Senator Bailey stated:<sup>4</sup>

I said here, at the time the requisition act in this case was passed, that under the circumstances I have narrated we were under obligation to treat the Kingdom of Denmark not only with justice, but with the utmost generosity. I think a court of equity would impose such generosity upon us. As I stated a moment ago, the man who undertakes to administer upon an estate without right, who, when someone dies steps in and takes charge of the affairs of the decedent, is held to a far higher degree of

<sup>2</sup> 87 *Cong. Rec.*, p. 4025.

<sup>3</sup> 87 *Cong. Rec.*, p. 4027.

<sup>4</sup> 89 *Cong. Rec.*, p. 1467.

care and to a far greater degree of liability than the executor who qualifies under a will or an administrator who is appointed by the court, because he is acting of his own power, he is acting arbitrarily, he is acting without authority of the law; and the rule of strict conduct and the highest degree of care is applied to that type of executors. Here was Denmark, stricken down and helpless. Her ships were in our possession. We took them. It is very important to me that the United States of America shall always present to all the other nations of the world the spirit and the example of justice, of fairness, and of generosity. If the amendment shall be adopted, the State Department will be authorized to proceed with the Minister from Denmark and, through him, with the owners of these vessels with a view to treating them with absolute justice, and generous justice at that.

Senator [Arthur H.] Vandenberg, in discussing the bill said:<sup>5</sup>

. . . I held the amendment up temporarily because I was in doubt about some of its terms, but in the final analysis, when I received a personal letter from Assistant Secretary of State [Adolf A.] Berle [Jr.] setting down categorically the fact that this amendment does nothing more than validate the promise made by the Government of the United States to the utterly brave Danish Minister who dared to stand out from under his home government and take the responsibility in his own hands to deliver us these 40 ships we needed, plus the delivery agreement—when I discovered that this is nothing more than a validation of our promise to the Danish Minister under those circumstances, I have no interest in what the amendment may cost. The Danish Minister is entitled to 100-percent reciprocity and good faith, in the presence of the courageous stand which he took, not only to his jeopardy, but to our everlasting advantage.

The operative paragraphs of the letter referred to from Assistant Secretary of State Berle, dated February 3, 1943, read as follows:

The proposed amendment to S. 162 which I discussed with you this morning will permit the fulfillment of an understanding arrived at between this Government and Henrik de Kauffmann, the Danish Minister to this country, when the requisition of the Danish ships by the United States took place in 1941.

The proposed legislation is unique in that it provides solely for the fulfillment of the moral obligation of the United States incurred by the requisitioning of the Danish vessels.

Senator Bailey later amplified his views as follows:<sup>6</sup>

. . . The United States Government should deal in so large a matter through its State Department with the representatives of the Danish Government in Washington. That is the proper procedure. I can assure the Senator—I feel perfectly assured of it myself—that the Danish Minister will protect the rights of the nationals

of his Government. I can assure the Senator that the State Department feels—I think pretty much as I have expressed myself here—that in this matter we must be so just in our action that there will be no question, there will be no misgiving. I would never have agreed to support the bill authorizing the requisitioning under the circumstances unless I had had such assurance. When I spoke on that subject on the floor of the Senate I quoted with a great deal of satisfaction some paragraphs from a statement made by President Woodrow Wilson on the same subject during World War I. It is my view that we must put the owners of the ships and the Danish Government in position to go ahead with business the moment the war is over and the seas are clear.

We must not take any advantage of them, because we took the ships, not by their consent, but by our power. We took them on account of our own necessities, and not theirs. We have used the ships. Let us now treat the owners, not simply justly, as we might say with respect to a defendant in court, but let us treat them so fairly that the record of history will say that the Government of the United States in its dealings under necessity may exercise arbitrary power, but that we shall not fail to make just and generous amends. That is the sort of Government over which, I think, my flag flies. . . .

The effect of the amendment is to enable the Secretary of State, by negotiation, and as the amendment is modified now, by consent of the owners, and with certification by the Secretary of State, to make a just settlement with the Danish Government with respect to these ships. It is in contemplation that when they are sunk they are not to be paid for as if taken by title. We are to pay charter hire and also carry the insurance, as well as pay for the ship if lost while in our possession.

Mr. Berle, in a letter of July 20, 1953, to Senator [Alexander] Wiley reaffirmed that the United States Government had assured the Danish Minister in 1941 that compensation for the use of the ships would be paid on the same basis as the compensation to which Americans would be entitled for their vessels taken for use. He added that:

It was then, and is now, my opinion that this was the least that the United States should have offered under the circumstances. It was, in fact, no more than the United States would be obligated to pay under international law, since the United States was then neutral and Denmark was a friendly country, and there was no absolute right of requisition. . . .

It was not considered necessary and should not have been considered necessary by the Danish Minister to exact a written agreement that the Government of the United States would abide by international law in this matter.

We believe that the above constitutes strong grounds for the Danish expectations of equal treatment.

#### Compensation for Use

The second key element relates to basing the

<sup>5</sup> 89 Cong. Rec., p. 1467.

<sup>6</sup> 89 Cong. Rec., pp. 1468 and 1469.



payment on taking for use rather than taking for title.

At the time that the United States desired to requisition the ships in 1941 the United States was not at war, and so it was considered desirable that the requisitioning be concurred in by the then Danish Minister in his capacity as representative of the Danish Government. As stated previously, no formal agreement between the Minister and the United States Government was made, nor does there appear to be any written record of an understanding in the files of the Department of State. However, in his note of May 22, 1941, to the Secretary of State, the Minister in expressing his readiness to cooperate in the requisitioning of the ships stated:

. . . As I have had the honor to point out on numerous occasions, Danish shipowners consider it to be of the greatest importance, that the Danish ships in United States ports be requisitioned, not for title, but only for use, and that the ships be returned to the Danish owners as soon as the present emergency is over, adequate insurance cover to be given to enable owners to replace any tonnage lost.

The Minister over the years has maintained that in concurring in the requisitioning of the ships he relied upon the United States Government taking the ships for use and returning them to the owners at the end of the war.

There can be little, if any, doubt that when the Minister composed his note referred to above he was aware that Senator Bailey had stated in the Senate on May 14, 1941,<sup>7</sup> that his committee understood that a requisition for use meant the following:

It is taking temporarily, for the purpose of use, paying compensation for the use, and with a view of the return of the property taken.

As mentioned previously, former Assistant Secretary of State Adolf Berle, who conducted the negotiations with the Minister, stated in a letter of July 20, 1953, to Senator Wiley that the United States Government during those negotiations assured the Minister that compensation for the use of the ships would be paid on the same basis as the compensation to which Americans would be entitled for vessels taken for use. This has reinforced the conviction of the Danes that payment should be based on use compensation.

The ships in fact were taken for title, however.

Despite this, Danish representatives, in a letter of October 20, 1941, to Under Secretary of State Sumner Welles, and in a draft agreement which they submitted to Under Secretary Welles June 17, 1942, indicated that they considered the owners were due and should receive compensation for the use of the vessels rather than for the title to them. As already explained, doubts as to the legality of paying charter-hire for vessels requisitioned for title led to a request to the Congress for authority, which was granted in Public Law 17, to convert the takings for title to takings for use, retroactively to the time of the original requisition. The passages already quoted from Senator Bailey's speech and Senator Vandenberg's speech to the Senate show clearly that section 3b of Public Law 17 was enacted with a view to enabling the executive branch to pay use compensation for the ships.

Even with the enactment of this legislative authorization, the requisitions were not converted to takings for use because under Public Law 17 this required prior agreement between the United States and the Danes regarding title values of the ships. The problem of burden, which will be discussed shortly, and numerous other legal complications which resulted in protracted negotiations lasting to the end of the war also proved to be insuperable obstacles to the conversion. With the end of hostilities, the Danish owners and their Government desired the immediate return of those of their vessels then afloat, only 16 of the 40 originally taken. The owners of these 16 ships accordingly negotiated settlement contracts covering these ships and the 19 lost ships belonging to them in order to avoid delay in the return of their vessels. The contracts provided lump-sum payments smaller than the owners claimed were owing, and the Danes have since made it abundantly clear that they did not consider the contracts to represent the fair and equitable compensation they understood they were to receive.

In view of the foregoing, it is considered that the Danes have reasonable grounds for requesting payment based on equal treatment and use compensation.

#### **The Five-Ship Case**

The five ships not covered by settlement contracts enter into the proposed payment to a relatively small extent. The principle involved,

<sup>7</sup> 89 *Cong. Rec.*, p. 4026.

however, is important. It has been mentioned previously that, after efforts to negotiate settlement contracts failed, the owners of these five ships filed suits in the Court of Claims to obtain compensation. Litigation continued from 1947 until 1952, when negotiated settlements were incorporated in stipulated judgments by the court.

One of the elements entering into the negotiated settlement was the legal defense of the United States relating to "burden," which derived from circumstances surrounding the ships at the time of their requisitioning in 1941. The United Kingdom had declared the ships to be technically enemy vessels, due to Denmark's occupation by Germany, and they accordingly were subject to seizure by the British as prizes of war. In theory, this reduced the value of the ships to a prospective purchaser, compared to the value of similar ships not so subject to seizure. Burden accordingly was a factor which had to be taken into account in arriving at values for the Danish ships and therefore entered into the defense of the United States in the Court of Claims suits. In the process of negotiating a settlement, the United States insisted upon a deduction of \$300,000 from the otherwise agreed compensation to reflect the burden of defense.

The view of the Department of State on the burden question has consistently been that the ships in effect were not burdened, and this view was accepted in arriving at title values for the ships early in 1946 for the purposes of the settlement contracts offered to the owners. The Department of State has based its view on the following considerations:

1. That, although the vessels were under threat of capture as prizes of war by the British, such Danish vessels as were captured were requisitioned by the United Kingdom authorities out of the prize courts, were paid charter-hire for their use, and such as were afloat at the end of the war were returned to their owners.

2. That, although the vessels were technically enemy ships to the British and consequently subject to seizure, Denmark was not in fact an enemy country but rather a friendly country conquered and occupied by an enemy. The United States was not even technically at war with Denmark at the time although relations were strained. The United States accordingly, as a matter of principle, could not afford to take advantage of the misfortunes of a friendly country by applying the

burden criteria so as to reduce the value of the property of such a country's nationals requisitioned by the United States.

The Danish Ambassador, during the negotiations for a stipulated judgment on the five-ship case, asked the Department of State to indicate its position regarding the deduction for burden. After ascertaining that the reduction was proposed to be made "taking into account only the strictly legal aspects of the case" and that "considerations of international policy . . . could not properly affect a settlement," the Department of State informed the Danish Ambassador that it would support legislation to restore the \$300,000 burden deduction with interest at 4 percent a year. Shortly afterward agreement on a settlement was reached.

For the foregoing reasons, and having in mind the official request of the Government of Denmark, the present proposed enabling legislation was devised to authorize a lump-sum payment, relating to all of the 40 ships, to the Government of Denmark as a matter of legislative policy based on considerations of equity in the foreign relations of the United States.

The amount of the payment proposed to be authorized was arrived at as follows. The United States Government has already paid to the Danish owners for the 5 ships \$4,112,395 pursuant to the 1952 Court of Claims judgments; for the 35 ships, \$28,018,294 pursuant to the settlement contracts, plus \$3,301,661 pursuant to the 1956 Court of Claims judgments, making a total for the 35 ships of \$31,319,955. The grand total already paid for the 40 ships thus is \$35,432,350.

A calculation was made of the amount that would be payable, in respect of the 35 ships, on the basis of the net compensation for use and/or loss to which American owners of American vessels taken for use in World War II would be entitled, including interest at 4 percent per annum on principle amounts from the time they became due through December 31, 1956. To this was added the payment that would have been made for the five ships had the deduction for burden not been made, including interest at 4 percent per annum on the \$300,000 actually deducted. This produced a total "equal treatment" figure of \$40,728,652.

Deducting from this "equal treatment" total the amount already paid to the Danes, i. e.,



\$35,432,350, there remains the amount proposed to be authorized in the bill, namely, \$5,296,302.

The Danish Government has requested payment of approximately \$11,950,000. This higher figure results from a different application of the concept of equal treatment. The Danish Government, in the spirit of friendly compromise, however, has agreed to accept the proposed amount as a final payment.

The history of relations between the United States and Denmark has been long and friendly, and the people of that small but courageous country have always merited our affection and esteem. Cooperation in defense matters dates back to the troubled days in 1941, when the Danish Minister not only concurred in the unprecedented act of the United States in requisitioning the ships of a foreign nation in a situation short of war but also had the courage to agree to the United States assuming the defense of Greenland.<sup>8</sup> Both actions were taken in spite of the contrary instructions of the government of occupied Denmark and were of great military importance to the United States during World War II. The understandings regarding the defense of Greenland became one of the pillars of cooperation between the United States and Denmark in NATO, of which Denmark has been a member since its inception.

Only recently, when Denmark was threatened by the Soviet Union with obliteration if Denmark should be the base for a nuclear attack on the U.S.S.R., the Government of Denmark in the reply which Prime Minister [Hans Christian Svane] Hansen made to the Soviet letter showed its resolute determination to maintain Denmark's independence and to adhere to the principle of collective defense under NATO. The United States is proud to have such an ally.

The United States attaches great importance to the maintenance of close and friendly relations with Denmark, and we desire to remove the irritant to those relations which the dispute regarding these ships has brought about and which has been the subject of correspondence between the two Governments at the highest level. This desire is reinforced by our conviction that equity and justice in international relations require a solution such as proposed. The Department of State supports the proposed legislation.

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<sup>8</sup> For background and text of agreement relating to the defense of Greenland, see BULLETIN of Apr. 12, 1941, p. 443.

## Disappearance of U.S. Pilot in Dominican Republic

### STATEMENT BY ROY R. RUBOTTOM, JR.<sup>1</sup>

On the afternoon of December 3, 1956, Gerald Lester Murphy, a United States citizen, left his apartment in Ciudad Trujillo, Dominican Republic, and has not been seen or heard from since. The American Embassy first learned of his disappearance on December 5, and on December 6 requested of the Dominican police that a search for Mr. Murphy be initiated.

The Embassy also informed the Department of State by telegram of Murphy's disappearance. This information was transmitted on December 7 to his parents, Mr. and Mrs. Lester Gerald Murphy of Eugene, Oregon. The Embassy the same day also sent to the Department information then available concerning Murphy's activities in the Dominican Republic, on the basis of which the Office of Security of the Department entered the case. The Office of Security communicated the information to the Department of Justice and to other United States investigative agencies. Close liaison was established with these agencies on a continuing basis.

On December 10 Dominican police gave the Embassy a first report dated December 8. It stated that Murphy's car had been found early in the morning of December 4, abandoned off the highway near the sea. Presuming it to have been stolen, the police had sent a notice to Murphy's address requesting that the car be picked up. Murphy not having returned home by December 6, the car was towed to police headquarters and an intensive search begun, the report stated.

Based on information received from the Embassy, security officers of the Department on December 11 interviewed Murphy's fiancé, Sally Caire, in Miami. On December 15, the American Ambassador told Secretary of State Without Portfolio Manuel de Moya, Attorney General Fran-

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<sup>1</sup> Made available to the Senate Foreign Relations Committee on May 29 (press release 324). Mr. Rubottom is Acting Assistant Secretary for Inter-American Affairs. His statement, released during the committee's hearings on his nomination to be Assistant Secretary, is in response to a request from Senator Morse that a full report of the Department's activities in the Gerald Murphy case be made public.

eisco Elpieio Beras, and Chief of Police Antonio Hart that the United States Government took a "very serious view" of the case and was assured that "the most detailed investigation possible" would be carried out by the Dominican authorities. Two days later, while the attorney general was at the American Embassy again discussing the case, Murphy's father and Miss Caire called at the Embassy following their arrival in Ciudad Trujillo. They talked to the attorney general and were fully informed of all developments in the case to date by Embassy officers.

On December 20 the Embassy sent a note to the Dominican Ministry of Foreign Affairs expressing its concern over the still unresolved disappearance of Murphy. Again, on December 31, the Ministry told the Embassy that inquiries "are taking place with the rapidity and zeal required" and that, when complete, a copy of the police report would be furnished.

Among those taken into custody for questioning by the Dominican authorities was Octavio de la Maza, a Dominican pilot for the Dominican airline *Compañía Dominicana de Aviación* (CDA). Murphy had been a CDA copilot from April 1956 until he resigned in late November purportedly to return to the United States.

At noon on January 7, 1957, the American Chargé d'Affaires ad interim was informed by the Dominican attorney general that De la Maza had committed suicide in his cell at around 4 o'clock that morning, and that De la Maza had left a suicide note admitting he was responsible for having pushed Murphy into the sea in a fight and that he was killing himself out of remorse. The chargé was shown the purported note and given a typewritten copy. On January 8 he visited the jail cell where De la Maza allegedly had hanged himself. The following day he requested the Dominican Government for (1) the loan of the original suicide note; (2) a copy of the transcript of police questioning of De la Maza prior to his death; (3) a copy of the death certificate; and (4) a copy of the autopsy report, if any.

The chargé called on the Minister of Foreign Affairs on January 16 to deliver a note recalling the Dominican note of December 31, which promised a copy of the Dominican police report then under preparation. He also asked for the "fullest possible" report from the Dominican authorities on Murphy's activities in the Dominican Republic which might shed light on a motive for

his disappearance. The note stated that the United States Government could not, on the basis of information available to it, accept the Dominican Government's position that Murphy's disappearance was solved by De la Maza's confession.

On January 28 the Ministry furnished the Embassy (1) a chronological list of Murphy's flights as a CDA copilot from April 21 through November 19, 1956, showing destinations and the name of the pilots in charge, and (2) photostatic copies of the official De la Maza death certificate.

On February 9 the Dominican Foreign Minister, in the company of the attorney general, gave the Ambassador the following additional documentation: (1) a report by the attorney general to the Foreign Minister summing up the official Dominican inquiry into the disappearance of Gerald Lester Murphy; (2) transcripts of police interrogations in connection with the Murphy case; (3) transcripts of police interrogations in connection with the De la Maza case; (4) photostats of the suicide note attributed to De la Maza, accompanied by an analysis prepared by a Spanish expert attesting, on the basis of comparison with purported specimens of De la Maza's handwriting, that the suicide note was genuine; (5) the formal opinion by the Dominican examining magistrate closing the case of Gerald Lester Murphy with the finding that he was murdered by De la Maza; (6) the formal opinion by the Dominican examining magistrate closing the case of Octavio de la Maza with the finding that he committed suicide; and (7) other miscellaneous documents, such as the bill of sale of Murphy's car, the report of the search and sealing of Murphy's apartment, and medicolegal and autopsy reports on De la Maza. On February 13 the Dominican Ministry of Foreign Affairs furnished three photostatic excerpts of Scotland Yard reports on the detention of De la Maza for drunken driving while he was Dominican Air Attaché in London.

The Dominican Ambassador to Washington was informed on February 21 that the Department did not consider the Murphy case closed. The Department's position was set forth in a note delivered in Ciudad Trujillo to the Dominican Government on March 16.<sup>2</sup> It stated that, if the specimens of handwriting submitted by the Dominican authorities as being of De la Maza were actually his, then the suicide note was not written by De la Maza.

<sup>2</sup> BULLETIN of Apr. 15, 1957, p. 611.



It further noted that, contrary to official Dominican findings, the Department had evidence which indicated that Murphy (1) was well acquainted with high Dominican officials, and (2) was apparently enjoying an income beyond his monthly salary of \$350 as a CDA copilot. After expressing the American Government's grave concern over Murphy's disappearance, the note stated that the United States considered the Murphy case as unsolved and requested the Dominican Government to "reopen and vigorously pursue its investigation."

The Dominican Government replied to the note of March 16 in three successive notes.<sup>3</sup> On March 29 it stated that further investigations had confirmed its previous view that Murphy had no more than "ordinary and casual contact" with Dominican officials. The note contained a statement attributed to Brigadier General Arturo R. Espailat, who was Under Secretary of State for the Armed Forces in the Dominican Republic until becoming Dominican Consul General in New York and Alternate Representative to the United Nations in May 1956. General Espailat declared that he had known Murphy in Ciudad Trujillo as a pilot of the *Compañía Dominicana de Aviación* in the same way that he knew all the other American pilots of CDA, as well as a large number of the American colony in Ciudad Trujillo. On April 4 the Dominican Government stated that additional investigations had led its attorney general to conclude that Murphy did not have large sums of money during his stay in the Dominican Republic, nor did his income exceed his salary as a CDA copilot. On April 13 the Dominican Government stated that it continued to consider valid the findings of a Spanish handwriting expert that the suicide note attributed to De la Maza was actually written by him. For the Dominican Republic to accept as conclusive in this matter an opinion to the contrary by agencies of a foreign power would be equivalent to abdicating its sovereign rights as a state, the Dominican note concluded.

In the meantime, on March 29, the Department received from Murphy's parents a bank draft from the *Banco de Reservas de la República Dominicana* in the amount of \$35,000 payable to Lester Gerald Murphy and which was described as the award (less attorneys' fees) made by a Dominican court as a result of a civil suit brought

by the Murphy family against the De la Maza estate. On the same date the Department returned the draft to Mr. and Mrs. Murphy with the explanation that a civil action in a foreign court is a private matter.

The United States Government delivered its latest note in the Murphy case to the Dominican Ambassador in Washington on May 2. Citing the investigation into Murphy's activities in the United States prior to his disappearance, the note stated that "sufficient evidence has now been uncovered to indicate that Mr. Murphy may have been connected with the disappearance of Dr. Jesus de Galindez in New York on or about March 12, 1956, acting on behalf of or in association with certain Dominican and American nationals." The Dominican Ambassador was further informed that the name of Arturo R. Espailat figured repeatedly in this investigation. In view of official Dominican statements of willingness to cooperate in solving Murphy's disappearance, as well as similar personal assertions by General Espailat, the United States note declared that it appeared "desirable and appropriate" that the General's diplomatic immunity be waived by the Dominican Government "in order that he should be amenable to the usual and lawful procedures in matters of investigation and trial" in the United States. No reply to this note has yet been received from the Dominican Government.

On May 4 General Espailat returned to the Dominican Republic. The Department is informed that General Espailat has since assumed the office of Secretary of State Without Portfolio and that a successor to him has been named as Dominican Consul General in New York and Alternate Representative of the Dominican Republic to the United Nations.

The Department is continuing its investigation into the disappearance of Mr. Murphy by all available means, maintaining close liaison with the Department of Justice.

#### TEXT OF U.S. NOTE OF MAY 2

EXCELLENCY: I have the honor to refer to the case of Gerald Lester Murphy, an American national who disappeared in Ciudad Trujillo on December 3, 1956. The Department of State has received through the American Embassy in Ciudad Trujillo copies of Notes No. 7584, 8129 and 9117

<sup>3</sup> Not printed.

of March 29, April 3, and April 13, 1957, respectively, from the Department of State for Foreign Affairs and Worship of the Dominican Republic in response to the Embassy's Note No. 382 of March 16, 1957, requesting Your Excellency's Government to reopen and vigorously pursue its investigation of the disappearance of this citizen of the United States.

While Your Excellency's Government has been conducting its investigation in the Dominican Republic, the United States Department of Justice and other appropriate agencies of my Government have been inquiring into the activities of Mr. Murphy in the United States prior to his disappearance. While these inquiries are still incomplete, sufficient evidence has now been uncovered to indicate that Mr. Murphy may have been connected with the disappearance of Dr. Jesus de Galindez in New York City on or about March 12, 1956, acting on behalf of or in association with certain Dominican and American nationals.

I am certain that Your Excellency's Government, mindful of its repeated statements of willingness to cooperate in solving the disappearance of Mr. Murphy, will feel disposed to cooperate in every possible way in resolving the questions which remain in doubt concerning the identity of any associates of Mr. Murphy, in the investigation being undertaken within the jurisdiction of United States authorities.

In the course of the investigation of the Murphy case, the disappearance of Dr. de Galindez, and related matters, the name of the Honorable Arturo Espaillat, Consul General of Your Excellency's Government in the City of New York and also Alternate Representative of the Dominican Republic to the United Nations, with the rank of Minister, has figured repeatedly. However, Minister Espaillat's diplomatic status as a Representative before the United Nations inhibits otherwise usual and lawful procedures in matters of investigation and trial.

In view of Minister Espaillat's publicly expressed desire of assisting in clearing up the Murphy case, and also the expressed interest of Your Excellency's Government in solving a matter in which there is already considerable public interest, my Government considers that it would appear desirable and appropriate that Minister Espaillat's immunity be waived in order that he should be amenable to the usual and lawful procedures in matters of investigation and trial.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Acting Secretary of State:

ROY R. RUBOTTOM, Jr.

*Acting Assistant Secretary  
for Inter-American Affairs*

His Excellency

SEÑOR DR. JOAQUIN E. SALAZAR,

*Ambassador of the Dominican Republic.*

## **Congressional Documents Relating to Foreign Policy**

### **85th Congress, 1st Session**

Permitting the Appointment of an assistant Secretary of State for African Affairs. Report to accompany S. 1832. S. Rept. 223, April 9, 1957. 3 pp.

Petroleum Survey: 1957 Outlook, Oil Lift to Europe, Price Increases. Preliminary Report of the House Committee on Interstate and Foreign Commerce pursuant to section 136 of the Legislative Reorganization Act of 1946, Public Law 601, 79th Cong., and H. Res. 99, 85th Cong. H. Rept. 314, April 9, 1957. 48 pp.

Protocol to the International Convention for the Northwest Atlantic Fisheries. Report to accompany Executive F, 85th Cong., 1st sess. Exec. Rept. 1, April 10, 1957. 2 pp.

Washington State Sixth International Trade Fair. Report to accompany H. J. Res. 126. S. Rept. 230, April 12, 1957. 2 pp.

Departments of State and Justice, the Judiciary, and Related Agencies Appropriation Bill, Fiscal Year 1958. Report to accompany H. R. 6871. H. Rept. 351, April 12, 1957. 31 pp.



## Syrian Complaint Against Israel Considered by Security Council

*Following are the texts of two statements made in the U.N. Security Council on May 28 by Ambassador Henry Cabot Lodge. In his first statement Mr. Lodge spoke as U.S. Representative to the United Nations, in his second as President of the Security Council.*

### FIRST STATEMENT BY MR. LODGE

U.S./U.N. press release 2682 dated May 28

The United States has examined carefully the complaint of the Government of Syria<sup>1</sup> that the recent construction of a bridge in the central sector of the Israeli-Syrian demilitarized zone constitutes an undertaking of military activity in violation of article V, paragraph 5 (a), of the Armistice Agreement and a threat to the peace. It has noted that the Acting Chief of Staff of the United Nations Truce Supervision Organization in Palestine inspected the bridge at the request of the Government of Syria, which also asked that he stop the construction which that Government stated was illegal.

In his report of April 20,<sup>2</sup> the Acting Chief of Staff stated that, although the bridge could be used for military purposes, he was satisfied, after his personal investigation on the spot, that the bridge was built in connection with the Huleh reclamation project. He therefore did not feel that he would be justified in asking for the removal of the bridge. He pointed out that such a request would have to be based on the assumption that the bridge would be used for military purposes in violation of the General Armistice Agreement, an assumption which he did not feel he was entitled to make.

The Acting Chief of Staff also reported that the bridge does not affect the interests of any Arab civilians in the zone.

Under article V of the Armistice Agreement, the Chief of Staff, as chairman of the Mixed Armistice Commission, is responsible for insuring that the armistice provisions for the demilitarized zone are fully carried out. This authority has been recognized by the Security Council in its resolution of May 18, 1951.<sup>3</sup> If it is thought by either of the parties that the Chief of Staff has acted incorrectly in any matter, the parties can bring the matter before the Mixed Armistice Commission, to which they have given the power, under article VII of the Armistice Agreement, to decide disputes concerning the application of that agreement and to interpret it.

We are fully cognizant of the fact that the Mixed Armistice Commission has not met since 1951. But this fact does not relieve either party from making every effort to resort to the Mixed Armistice Commission procedures before coming to the Security Council. We continue to hold that the Mixed Armistice Commission should function. If no recourse is had under the provisions of article VII, the decision of the Chief of Staff must hold.

Having considered all the available facts in the present case, the United States believes that the report of the Acting Chief of Staff is fully responsive to the Syrian request.

The Representative of Israel [Mordecai R. Kidron] on Thursday [May 23] stated that, since the truce had been replaced by the Armistice Agreement, neither party may invoke purely military considerations in the demilitarized zone. The demilitarized zones, he stated, are "areas from which military forces are excluded and nothing more."

The United States does not share this view. Article V of the Armistice Agreement, as I already have said, gives the Chief of Staff responsibility for the full implementation of the armistice provisions relating to the demilitarized zone. Section 2 of this article states that the demilitarized zone has been defined "with a view toward separating the armed forces of the two parties in such

<sup>1</sup> U.N. doc. S/3827.

<sup>2</sup> U.N. doc. S/3815.

<sup>3</sup> BULLETIN of June 4, 1951, p. 916.

a manner as to minimize the possibility of friction and incidents, while providing for the gradual restoration of normal civilian life in the area of the Demilitarized Zone, without prejudice to the ultimate settlement.”

In 1953 the Chief of Staff requested the cessation of work in the demilitarized zone which, in his opinion, affected the protection of normal civilian life within the area and the military value of the zone. Military considerations were thus clearly asserted by the Chief of Staff as among the matters for which he is responsible under the Armistice Agreement. The United States supported him in this, as did the majority of members of the Security Council.

The United States position on the authority of the Chief of Staff in the demilitarized zone was also explained fully at that time.<sup>4</sup> I would like to restate it now:

First, strict compliance with the armistice agreement entered into between Israel and Syria is of vital importance to the peace of the area and this question is intimately involved in the present case.

Second, the primary responsibility of the Security Council in this matter is to uphold that armistice agreement which it endorsed in its resolution of 11 August 1949 as superseding the truce and facilitating the transition to permanent peace. The agent of the Security Council for these purposes is the Chief of Staff of the Truce Supervision Organization.

Third, development projects which are consistent with the undertakings of the parties under the armistice agreement and which are in the general interest and do not infringe upon established rights and obligations should be encouraged. . . . The Chief of Staff, as the authority responsible for the general supervision of the demilitarized zone, is the proper authority to determine whether the project now in question meets these conditions. Any unilateral action, from whatever side, which is not consistent with this authority of the Chief of Staff threatens the effective operation and enforcement of the armistice agreement. Similarly, no government should, in our opinion, exercise a veto power over legitimate projects in the demilitarized zone.

While the Acting Chief of Staff's report in the present case answers the question raised by the Government of Syria about the bridge, it does raise a number of other questions which are of interest to the Security Council and which the report does not answer.

For example: (1) The report indicates that the chairman of the Mixed Armistice Commission and the United Nations military observers encountered initial opposition from the Government

of Israel. The Acting Chief of Staff suggests, in the light of this experience, the advisability of reaffirming the powers of the chairman of the Mixed Armistice Commission and of the United Nations military observers in the demilitarized zone.

It is obvious from the report of April 20, 1957, that the Acting Chief of Staff's authority has not been fully respected and that he consequently has not been able to discharge fully his responsibilities in the demilitarized zone. This prompts me to make this observation: that efforts to limit the freedom of movement and access of the chairman of the Mixed Armistice Commission and the United Nations military observers in any sector of the demilitarized zone are matters of serious concern to the United States as they should be to all members of the Council and to the parties to the General Armistice Agreement.

The suggestion from the Acting Chief of Staff that his authority should be reaffirmed is clearly in order. His authority must be respected by the parties, who should extend to him full cooperation and help in any practical arrangements he may consider necessary to the exercise of his authority.

(2) The report also shows that the Acting Chief of Staff found that an area on the western approaches to the bridge had been mined in contravention of the Armistice Agreement. He reported he was taking steps to have the mines removed, and the Representative of Israel has informed the Council that these mines have been taken away.

(3) The report further indicates that the Acting Chief of Staff inspected only certain portions of the demilitarized zone. Whether this was through his own choice or because he was prevented from doing so has not been made clear.

Inasmuch as these questions remain outstanding, the United States believes it would be of value to the Council to have from the Acting Chief of Staff an up-to-date report on current conditions throughout the zone, including its policing, his freedom of access, and any practical arrangements he may consider necessary to carry out his responsibilities. We believe that he should undertake such a complete survey so that we may be assured that conditions in the zone are those which the Armistice Agreement calls for. We hope that both parties to the Armistice Agreement will give him their full cooperation.

<sup>4</sup> *Ibid.*, Jan. 11, 1954, p. 58.



The aim of the Security Council must be to assure a peaceful situation. The Armistice Agreement and the United Nations personnel in the area are crucial—in fact indispensable—elements in achieving this objective. All parties should cooperate fully in making it possible for the United Nations representatives to fulfill their tasks. This is indispensable to achieving peace and order, which is vital to Israel and her neighbors.

## **SECOND STATEMENT BY MR. LODGE**

U.S./U.N. press release 2683 dated May 28

The Council has considered the communication from the Representative of Syria and the report of the Acting Chief of Staff of the Truce Supervision Organization in Palestine. It has heard the Representatives of Syria [Rafik Asha] and Israel and all members of the Council have presented their views.

All members of the Council appear to agree that the authority of the Chief of Staff of the Truce Supervision Organization should be respected and that the parties should cooperate with it. It was noted that in the instance before us he was delayed in his inspection of the bridge and in discharging other duties.

Some members of the Council made it clear that they did not agree with the decision of the Acting Chief of Staff on the right of Israel to build a bridge. However, the majority have pointed out that the Chief of Staff is the proper authority for insuring full implementation of the provisions of article V of the Armistice Agreement and have supported his decision. The parties have been asked to cooperate fully with the Acting Chief of Staff and to assist in any practical arrangements that he might feel necessary in carrying out his responsibilities.

Note has also been taken of references in the report by the Acting Chief of Staff to other problems in the demilitarized zone, and the majority of members have suggested that the Acting Chief of Staff submit an additional report at the proper time concerning conditions in the zone, including his freedom of access, and so forth. Various inquiries have been made which might be covered in such a report.

In this case it is clear that the achievement of better conditions in the Near East is the Council's

overriding objective. The United Nations and its representatives can continue to make an important contribution to this end. To do so, it needs the full cooperation of the governments concerned.

## **U.S. Delegations to International Conferences**

### **International Labor Conference**

The Department of State announced on May 31 (press release 331) that the United States will be represented by the following tripartite delegation consisting of representatives of the Government, of the employers, and of the workers of the United States at the 40th session of the International Labor Conference to be held at Geneva, June 5-27:

#### **REPRESENTING THE GOVERNMENT OF THE UNITED STATES**

##### *Delegates*

J. Ernest Wilkins, Assistant Secretary of Labor  
Francis O. Wilcox, Assistant Secretary of State

##### *Alternate Delegate*

A. Henry Thurston, Special Assistant to the Assistant Secretary for Domestic Affairs, Department of Commerce

##### *Congressional Advisers*

Samuel K. McConnell, Jr., House of Representatives  
Cleveland M. Bailey, House of Representatives

##### *Advisers*

Thomas D. Bowie, Office of International Economic and Social Affairs, Department of State  
Charles C. Finch, Labor Adviser, Bureau of Near Eastern, South Asian and African Affairs, Department of State  
Selene Gifford, Assistant Commissioner, Bureau of Indian Affairs, Department of the Interior  
John J. Gilhooley, Special Assistant to the Secretary of Labor  
Howard Jenkins, Chief, International Labor Affairs Branch, Office of the Solicitor, Department of Labor  
Joseph E. Johnson, Consultant to the Secretary of Labor  
Mrs. Alice K. Leopold, Assistant to the Secretary of Labor for Women's Affairs  
Otis E. Mulliken, Deputy Director, Office of International Economic and Social Affairs, Department of State  
Edward B. Peterson, Director, Department of Labor and Industrial Relations, Hawaii  
David H. Popper, Deputy U.S. Representative for International Organizations, American Consulate General, Geneva, Switzerland  
Stuart Rothman, Solicitor, Department of Labor  
Philip Sullivan, Labor Adviser, Bureau of Far Eastern Affairs, Department of State

George Tobias, Attaché for International Labor Affairs, American Consulate General, Geneva, Switzerland  
Arnold Zempel, Executive Director, Office of International Labor Affairs, Department of Labor  
Juan de Zengotita, Area Specialist for Latin America, Office of International Labor Affairs, Department of Labor

#### REPRESENTING THE EMPLOYERS OF THE UNITED STATES

##### *Delegate*

Cola G. Parker, Director, Kimberly-Clark Corporation, Neenah, Wis.

##### *Advisers*

John S. Bugas, Vice President, Ford Motor Co., Dearborn, Mich.

Austin T. Foster, Director, Socony Mobil Oil Co., New York, N. Y.

Raymond H. Nichols, Editor and Publisher, The Vernon Daily Record, Vernon, Tex.

Mrs. Sybil S. Patterson, Associate Director, Industrial Relations Division, National Association of Manufacturers, New York, N. Y.

Frank H. Terrell, Terrell, Hess, Van Asdol, and Magruder, Kansas City, Mo.

William G. Van Meter, Attorney, Labor Relations and Legal Department, Chamber of Commerce of the United States, Washington, D. C.

W. H. Winans, Larchmont, N. Y.

#### REPRESENTING THE WORKERS OF THE UNITED STATES

##### *Delegate*

George P. Delaney, International Representative, AFL-CIO, Washington, D. C.

##### *Advisers*

Elmer Cope, International Representative on Economics and International Affairs, United Steelworkers of America, Washington, D. C.

A. H. Cronin, Vice President, Sheet Metal Workers International Union, Chicago, Ill.

Gordon M. Freeman, President, International Brotherhood of Electrical Workers, Washington, D. C.

Toney Gallo, Secretary-Treasurer, United Cement, Lime, and Gypsum Workers International Union, Chicago, Ill.

Emil Rieve, Chairman, Executive Council, Textile Workers Union of America, New York, N. Y.

George L. P. Weaver, Executive Secretary, Civil Rights Department, AFL-CIO, Washington, D. C.

##### *Secretary of Delegation*

John R. Bartelt, Jr., Office of International Conferences, Department of State

The International Labor Conference is the principal policymaking organ of the International Labor Organization (ILO), which is a specialized agency of the United Nations and now comprises 78 member countries.

The agenda for the 40th session of the Conference includes: (1) the report of the Director-

General of the International Labor Office; (2) approval of the ILO budget for 1958; (3) discussions on proposed international standards concerning forced labor, weekly rest in commerce and offices, and protection and integration of indigenous and other tribal and semitribal populations in independent countries; and (4) discussions on discrimination in the field of employment and occupation and on conditions of employment of plantation workers.

The report of the Director-General will deal with the social implication of technological change, particularly automation and industrial uses of atomic energy, as well as with social developments of interest to ILO and with an account of ILO activities during the year.

At the Conference new members representing governments, employers, and workers will be elected to the Governing Body.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Atomic Energy

Statute of the International Atomic Energy Agency. Done at New York October 26, 1956.<sup>1</sup>

*Ratification deposited:* Union of South Africa, June 6, 1957.

##### Cultural Property

Convention for protection of cultural property in event of armed conflict, and regulations of execution. Done at The Hague May 14, 1954. Entered into force August 7, 1956.<sup>2</sup>

*Ratification deposited:* Byelorussian Soviet Socialist Republic, May 7, 1957.

Protocol for protection of cultural property in event of armed conflict. Done at The Hague May 14, 1954. Entered into force August 7, 1956.<sup>2</sup>

*Ratification deposited:* Byelorussian Soviet Socialist Republic, May 7, 1957.

##### Fisheries

Protocol amending the international convention for the northwest Atlantic fisheries of February 8, 1949 (TIAS 2089). Done at Washington June 25, 1956.

*Ratification deposited:* Italy, June 7, 1957.

##### Telecommunications

International telecommunication convention. Signed at

<sup>1</sup> Not in force.

<sup>2</sup> Not in force for the United States.



Buenos Aires December 22, 1952. Entered into force January 1, 1954. TIAS 3266.

*Ratifications deposited:* Brazil, April 26, 1957; Guatemala, May 1, 1957; Syria, May 1, 1957.

*Accession deposited:* Ghana, May 17, 1957.

Final protocol to the international telecommunication convention. Signed at Buenos Aires December 22, 1952. Entered into force January 1, 1954. TIAS 3266.

*Ratifications deposited:* Brazil, April 26, 1957; Guatemala, May 1, 1957; Syria, May 1, 1957.

Additional protocols to the international telecommunication convention. Signed at Buenos Aires December 22, 1952. Entered into force December 22, 1952.

*Ratifications deposited:* Brazil, April 26, 1957; Guatemala, May 1, 1957; Syria, May 1, 1957.

## Trade and Commerce

Fifth protocol of rectifications and modifications to texts of schedules to the General Agreement on Tariffs and Trade. Done at Geneva December 3, 1955.<sup>1</sup>

*Signature:* Canada, April 27, 1957.

## Whaling

Protocol amending the international whaling convention of 1946 (TIAS 1849). Done at Washington November 19, 1956.<sup>1</sup>

*Ratification deposited:* Sweden, June 6, 1957.

## Wheat

International wheat agreement, 1956. Open for signature at Washington through May 18, 1956. Entered into force July 16, 1956, for parts 1, 3, 4, and 5, and August 1, 1956, for part 2. TIAS 3709.

*Notification by Federal Republic of Germany of application to:* Land Berlin (effective date the same as that for the Federal Republic, *i. e.*, July 16, 1956, for parts 1, 3, 4, and 5, and August 1, 1956, for part 2).

## BILATERAL

### Canada

Protocol to the convention for the protection, preservation, and extension of the sockeye salmon fisheries in the Fraser River system of May 26, 1930 (50 Stat. 1355). Signed at Ottawa December 28, 1956.<sup>1</sup>

*Senate advice and consent to ratification given:* June 6, 1957.

### China

Agreement amending the agreement of May 14, 1954, relating to the loan of small naval craft to China, as amended (TIAS 2979, 3215, 3346, 3676). Effected by exchange of notes at Taipei May 16, 1957. Entered into force May 16, 1957.

### Iraq

Agreement providing for economic assistance to Iraq. Effected by exchange of notes at Baghdad, May 18 and 22, 1957. Entered into force May 22, 1957.

Research reactor agreement concerning civil uses of atomic energy. Signed at Washington June 7, 1957. Enters into force on date on which each Government receives from the other written notification that it has complied with statutory and constitutional requirements.

### Poland

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454, 455; 69 Stat. 44, 721), with exchange of notes. Signed at Washington June 7, 1957. Entered into force June 7, 1957.

### Portugal

Agreement amending research reactor agreement concern-

ing civil uses of atomic energy of July 21, 1955 (TIAS 3317). Signed at Washington June 7, 1957. Enters into force on date on which each Government receives from the other written notification that it has complied with statutory and constitutional requirements.

## United Kingdom

Agreement further extending the joint statement of December 6, 1945, relating to the settlement for lend-lease and reciprocal aid, surplus war property, and claims (TIAS 1509). Effected by exchange of notes at Washington April 24 and 25, 1957. Entered into force April 25, 1957.

Agreement for the disposition of equipment and materials furnished by the United States under the mutual defense assistance agreement of January 27, 1950 (TIAS 2017) and no longer required by the United Kingdom. Effected by exchange of notes at London May 10 and 15, 1957. Entered into force May 15, 1957.

## DEPARTMENT AND FOREIGN SERVICE

## Confirmations

The Senate on June 3 confirmed the following:

John M. Cabot to be Ambassador to Colombia. (For biographic details, see press release 225 dated April 19.)

Earl E. T. Smith to be Ambassador to Cuba. (For biographic details, see press release 298 dated May 17.)

Llewellyn E. Thompson to be Ambassador to the Union of Soviet Socialist Republics. (For biographic details, see press release 252 dated April 29.)

Francis White to be Ambassador to Sweden. (For biographic details, see press release 228 dated April 19.)

## Designations

William A. Wieland as Director, Office of Middle American Affairs, effective May 19.

John S. Hoghland 2d as Deputy Assistant Secretary for Congressional Relations, effective June 13. (For biographic details, see press release 337 dated June 3.)

## PUBLICATIONS

## Recent Releases

*For sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.*

**Atomic Energy—Cooperation for Civil Uses.** TIAS 3758. 3 pp. 5¢.

Agreement between the United States of America and Denmark, amending agreement of July 25, 1955—Signed

<sup>1</sup> Not in force.

at Washington June 27, 1956. Entered into force February 14, 1957.

**Surplus Agricultural Commodities.** TIAS 3759. 2 pp. 5¢.

Agreement between the United States of America and Turkey, supplementing agreement of November 12, 1956—Signed at Ankara January 25, 1957. Entered into force January 25, 1957.

**Surplus Agricultural Commodities.** TIAS 3760. 3 pp. 5¢.

Agreement between the United States of America and Italy, amending agreement of October 30, 1956. Exchange of notes—Signed at Rome January 7, 1957. Entered into force January 7, 1957.

**Guaranty of Private Investments.** TIAS 3761. 4 pp. 5¢.

Agreement between the United States of America and Turkey. Exchange of notes—Signed at Ankara January 15, 1957. Entered into force January 15, 1957.

**Surplus Agricultural Commodities.** TIAS 3762. 3 pp. 5¢.

Agreement between the United States of America and Italy, amending agreement of October 30, 1956, as amended. Exchange of notes—Signed at Rome January 28 and February 1, 1957. Entered into force February 1, 1957.

**Air Force Mission to Venezuela.** TIAS 3763. 2 pp. 5¢.

Agreement between the United States of America and Venezuela, extending agreement of January 16, 1953. Exchange of notes—Signed at Washington February 11 and 15, 1957. Entered into force February 15, 1957; operative retroactively January 16, 1957.

**Army Mission to Venezuela.** TIAS 3764. 2 pp. 5¢.

Agreement between the United States of America and Venezuela, extending agreement of August 10, 1951. Exchange of notes—Signed at Washington February 11 and 15, 1957. Entered into force February 15, 1957; operative retroactively August 10, 1955.

**Atomic Energy—Cooperation for Civil Uses.** TIAS 3765. 5 pp. 5¢.

Agreement between the United States of America and the Federal Republic of Germany, amending agreement of February 13, 1956—Signed at Washington June 29, 1956. Entered into force February 18, 1957.

**Surplus Agricultural Commodities.** TIAS 3767. 2 pp. 5¢.

Agreement between the United States of America and Iran, supplementing agreement of February 20, 1956—Signed at Tehran February 13, 1957. Entered into force February 13, 1957.

**Surplus Agricultural Commodities.** TIAS 3768. 10 pp. 10¢.

Agreement between the United States of America and Ecuador—Signed at Quito February 15, 1957, with related note. Entered into force February 15, 1957.

**Certificates of Airworthiness for Imported Aircraft.** TIAS 3769. 7 pp. 10¢.

Agreement between the United States of America and Norway. Exchange of notes—Signed at Oslo February 5, 1957. Entered into force February 5, 1957.

**Surplus Agricultural Commodities.** TIAS 3770. 3 pp. 5¢.

Agreement between the United States of America and Spain, amending agreement of October 23, 1956. Ex-

change of notes—Signed at Madrid February 1, 1957. Entered into force February 1, 1957.

**Atomic Energy—Cooperation for Civil Uses.** TIAS 3771. 4 pp. 5¢.

Agreement between the United States of America and Canada, amending agreement of June 15, 1955—Signed at Washington June 26, 1956. Entered into force March 4, 1957.

**Military Assistance Advisory Group.** TIAS 3773. 4 pp. 5¢.

Agreement between the United States of America and Nicaragua. Exchange of notes—Signed at Managua January 17 and February 9, 1957. Entered into force February 9, 1957.

**Air Transport Services.** TIAS 3781. 4 pp. 5¢.

Agreed minute between the United States of America and Switzerland—Signed at Washington February 6, 1957, and exchange of notes—Signed at Washington March 1 and 4, 1957. Entered into force March 4, 1957.

**Interchange of Patent Rights and Technical Information for Defense Purposes.** TIAS 3782. 14 pp. 10¢.

Agreement between the United States of America and France—Signed at Paris March 12, 1957. Entered into force March 12, 1957.

**Surplus Agricultural Commodities—Sale of Tobacco and Construction of Housing or Community Facilities.** TIAS 3783. 2 pp. 5¢.

Agreement between the United States of America and the United Kingdom of Great Britain and Northern Ireland. Exchange of notes—Signed at London March 13, 1957. Entered into force March 13, 1957.

**Relief Supplies—Duty-Free Entry and Free Inland Transportation.** TIAS 3784. 6 pp. 5¢.

Agreement between the United States of America and Jordan, amending agreement of May 1 and June 29, 1954. Exchange of notes—Dated at Amman July 6, September 28, and October 15, 1955. Entered into force September 28, 1955.

**Surplus Agricultural Commodities.** TIAS 3785. 2 pp. 5¢.

Agreement between the United States of America and Yugoslavia, amending agreement of November 3, 1956. Exchange of notes—Signed at Washington March 22, 1957. Entered into force March 22, 1957.

**American Dead in World War II.** TIAS 3786. 4 pp. 5¢.

Agreement between the United States of America and the Netherlands, extending agreement of April 11, 1947. Exchange of notes—Signed at The Hague January 14 and August 29, 1955, and March 9, 1956. Entered into force March 18, 1957.

**United States Educational Foundation in Iceland.** TIAS 3787. 13 pp. 10¢.

Agreement between the United States of America and Iceland—Signed at Reykjavik February 23, 1957. Entered into force February 23, 1957.

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